

IN THE CIRCUIT COURT OF THE TWENTIETH JUDICIAL CIRCUIT IN AND FOR
LEE COUNTY, FLORIDA CIVIL ACTION

STOCK CONSTRUCTION, LLC, a Florida limited liability company, and STOCK DEVELOPMENT, LLC, a Florida limited liability company,

Plaintiffs,

v.

JMC COATINGS, LLC, JMC PAINTING & WATERPROOFING, INC., MARIO'S PAINTING OF SOUTH FLORIDA, INC., PRIME DRYWALL & PAINTING, INC., STATEWIDE PAINTING & PRESSURE CLEANING, INC., SUTTON CONTRACTING SOLUTIONS, INC., SW USA FRANCO, LLC, UNITED SUBCONTRACTORS, INC., D/B/A NCR/WEST COAST INSULATION,

Defendants.

Case No. 2018-CA-3655

AMENDED COMPLAINT

Plaintiffs, STOCK CONSTRUCTION, LLC, a Florida limited liability company, and STOCK DEVELOPMENT, LLC, a Florida limited liability company (collectively referred to herein as "**Stock**") hereby sue **Defendants**, JMC COATINGS, LLC ("**JMC Coatings**"), JMC PAINTING & WATERPROOFING, INC. ("**JMC Waterproofing**"), MARIO'S PAINTING OF SOUTH FLORIDA, INC. ("**Mario**"), PRIME DRYWALL & PAINTING, INC. ("**Prime**"), STATEWIDE PAINTING & PRESSURE CLEANING, INC. ("**Statewide**"), SUTTON CONTRACTING SOLUTIONS, INC. ("**Sutton**"), SW USA FRANCO, LLC ("**Franco**"), UNITED SUBCONTRACTORS, INC., D/B/A NCR/WEST COAST INSULATION ("**West Coast**"), J & D HEATING AND AIR CONDITIONING, INC. ("**J & D Heating**"), and GFA INTERNATIONAL, INC. ("**GFA**"), and state:

Jurisdiction, Venue, and Parties

1. This is an action for damages exceeding \$15,000.00, exclusive of interest, attorneys' fees and costs, making jurisdiction appropriate in this Court.
2. Venue is proper in Lee County, Florida, since the actions giving rise to this claim occurred in Lee County, Florida.
3. JMC Coatings, LLC, is a Florida limited liability company with its principal place of business located at 2025 J&C Boulevard, Unit 8, Naples, Florida 34109.
4. JMC Painting & Waterproofing , Inc., is a Florida profit corporation with its principal place of business located at 28210 Old 41 Road, Unit 308, Bonita Springs, Florida 34135.
5. Mario's Painting of South Florida, Inc., is a Florida profit corporation with its principal place of business located at 4533 Kelmar Drive, West Palm Beach, Florida 33415.
6. Prime Drywall & Painting, Inc., is a Florida profit corporation with its principal place of business located at 4503 NW 103 Avenue, Suite 102, Sunrise, Florida 33351.
7. Statewide Painting & Pressure Cleaning, Inc., is a Florida profit corporation with its principal place of business located at 3265 34th Avenue SE, Naples, Florida 34117.
8. Sutton Contracting Solutions, Inc., is a Florida profit corporation with its principal place of business located at 2808 Broadway Center Boulevard, Brandon, Florida, 33510.
9. SW USA Franco, LLC, is a Florida limited liability company with is principal place of business located at 690 3rd Street SW, Naples, Florida 34117.

10. United Subcontractors, Inc., is a foreign corporation authorized to do business in the State of Florida and does business as “NCR/West Coast Insulation”.
11. United Subcontractors, Inc., d/b/a NCR/West Coast Insulation is referred to herein as **“West Coast.”**
12. J & D Heating and Air Conditioning, Inc., is a Florida profit corporation with its principal place of business located at 5631 Halifax Ave, Fort Myers, Florida 33912.
13. GFA International, Inc., is a Florida profit corporation with its principal place of business located at 1215 Wallace Drive, Delray Beach, Florida 33444.
14. Stock Construction, LLC, is a Florida limited liability company, with its principal place of business located at 2639 Professional Circle, Suite 101, Naples, Florida.
15. Stock Development, LLC, is a Florida limited liability company, with its principal place of business located at 2639 Professional Circle, Suite 101, Naples, Florida 34119.

General Allegations

16. At all times relevant to these claims, Stock Development, LLC, developed condominium buildings located in what is known as the Paseo Community in Fort Myers (**“Paseo Community”**), Florida.
17. Stock Construction, LLC, constructed many of the buildings in the Paseo Community.
18. Paseo Condominium Association, Inc. (the **“Association”**), has made allegations related to defective work on buildings in the Paseo Community.
19. Stock has suffered losses as a result of commencing repairs related to waterproofing, painting, weather barriers, insulation, and other defective work and is faced with

damage claims by the Association.

20. Stock has incurred attorneys' fees and costs in connection with responding to, and addressing, claims made by the Association.
21. Stock has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this action, and Stock is required to pay Coleman, Yovanovich & Koester, P.A., a reasonable fee for its service.
22. Stock has satisfied all conditions precedent to the filing of this Action, or all such conditions precedent have been waived or are otherwise fulfilled.

COUNT I – BREACH OF CONTRACT
(JMC Coatings)

23. Stock Construction, LLC, sues JMC Coatings for breach of contract.
24. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
25. Stock Construction, LLC, entered into a Subcontractor Base Agreement with JMC Coatings to perform work, including that related to the waterproofing of buildings in the Paseo Community.
26. A true and correct copy of the Subcontractor Base Agreement with JMC Coatings is attached hereto as **Exhibit 1.**
27. The Association has made allegations related to defective work, including, but not limited to, that related to the waterproofing of buildings in the Paseo Community.
28. JMC Coatings performed significant and substantial work related to the waterproofing of buildings in the Paseo Community.
29. JMC Coatings had a duty to perform its work in a workmanlike manner and in

accordance with its contract.

30. JMC Coatings breached its contract by performing work which contained defects and was not of workmanlike quality.
31. The waterproofing in the Paseo Community contained workmanship defects.
32. The defective work has caused damage including rip and tear, water damage, and damage to other property.
33. The defective work caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
34. Stock Construction, LLC, has been damaged as a result of the defective work.
35. Stock Construction, LLC, has suffered damage as a result of JMC Coatings' breach, including, but not limited to, the following:
 - A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
36. JMC Coatings' workmanship was a substantial factor in the damage to buildings in the Paseo Community, which, under Florida law, renders JMC Coatings liable for all of Stock's damages associated with JMC Coatings' work.
37. Stock Construction, LLC, has been damaged by JMC Coatings' breach.

38. The damages include, without limitation, remediation damages, overpayment, *et cetera*.
39. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from JMC Coatings.
40. Stock Construction, LLC, has satisfied all conditions precedent to maintaining this action, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, JMC Coatings, LLC, awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT II – CONTRACTUAL INDEMNIFICATION
(JMC Coatings)

41. Stock Construction, LLC, sues JMC Coatings for contractual indemnification based on claims, losses, damages, and expenses arising out of or resulting from JMC Coatings' work.
42. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
43. Stock Construction, LLC, entered into a Subcontractor Base Agreement with JMC Coatings to perform work, including waterproofing many of the buildings in the Paseo Community.

44. A true and correct copy of the Subcontractor Base Agreement with JMC Coatings is attached hereto as **Exhibit 1.**
45. The Association has made allegations related to defective work, including, but not limited to, that related to the waterproofing of buildings in the Paseo Community.
46. The defective work has caused damage including rip and tear, water damage, and damage to other property
47. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
48. Stock Construction, LLC, has been damaged as a result of the defective work.
49. JMC Coatings entered into a Subcontract with Stock Construction, LLC, and through that Subcontract, specifically provided contractual indemnity to Stock Construction, LLC, and the Owner.
50. Despite demand, notice and opportunity to indemnify Stock Construction, LLC, JMC Coatings has failed to do so.
51. Pursuant to JMC Coatings' Subcontract, JMC Coatings is obligated to pay Stock Construction, LLC's attorneys' fees and costs.
52. Stock Construction, LLC, has suffered damage as a result of JMC Coatings' failure to indemnify Stock Construction, LLC, including, but not limited to, the following:
 - A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;

- D. Litigation and consulting expert fees; and
- E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
53. JMC Coatings has a specific contractual obligation to repair and remediate, compensate Stock Construction, LLC, and then seek recovery through subrogation against otherwise responsible parties.
54. JMC Coatings, by failing to take affirmative action to assist, indemnify, and hold Stock Construction, LLC, harmless, has caused and exacerbated damages suffered by Stock Construction, LLC.
55. In the event Stock Construction, LLC, obtains a judgment against any responsible party for claims, losses, damages, and expenses arising out of or resulting from JMC Coatings' work, and such judgment is uncollectable, the amount of such uncollected judgment attributable to JMC Coatings' work must be paid by JMC Coatings, as the need for the litigation in obtaining the judgment was proximately caused by JMC Coatings' failure to indemnify and hold harmless Stock Construction, LLC.
56. Stock Construction, LLC, is entitled to all its attorneys' fees and costs and interest on its attorneys' fees and costs incurred in litigating or dealing with claims with other subcontractors, product suppliers, vendors, the engineer, the Association, and any other necessary and proper defendants.
57. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from JMC Coatings.

58. Stock Construction, LLC, has satisfied all conditions precedent to maintain this claim, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, JMC Coatings, LLC, awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT III – BUILDING CODE VIOLATIONS
(JMC Coatings)

59. Stock sues JMC Coatings for building code violations.
60. Stock reasserts the allegations contained in paragraphs 1 through 22 as though fully set forth herein.
61. Stock Construction, LLC, entered into a Subcontractor Base Agreement with JMC Coatings to perform work, including the waterproofing of buildings in the Paseo Community.
62. A true and correct copy of the Subcontractor Base Agreement with JMC Coatings is attached hereto as **Exhibit 1.**
63. The Association has made allegations related to defective work, including, but not limited to, that related to the waterproofing of buildings in the Paseo Community.
64. Section 553.84, Florida Statutes, empowers “any person or party” who has been “damaged as a result of a violation of [] the Florida Building Code” to assert a cause of action “against the person or party who committed the violation.”
65. JMC Coatings performed work on and materially participated in waterproofing the buildings in the Paseo Community.

66. In so doing, JMC Coatings violated Florida Building Code provisions related to waterproofing.
67. Stock has been damaged as a result of the defective and non-code-compliant work.
68. The defective work has caused damage including rip and tear, water damage, and damage to other property.
69. The defective work caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
70. JMC Coatings' defective workmanship was a substantial factor in the damage to buildings within the Paseo Community, which, under Florida law, renders JMC Coatings liable for all of Stock's damages associated with JMC Coatings' actions.
71. JMC Coatings is liable directly to Stock for the damages caused by and resulting from the building code violations.
72. Stock seeks recovery from JMC Coatings for all damages incurred by Stock in connection with JMC Coatings' building code violations, including without limitation the following:
 - A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.

73. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiffs, Stock Construction, LLC, and Stock Development, LLC, respectfully request this Court to enter a judgment against Defendant, JMC Coatings, LLC, awarding Plaintiffs their damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Plaintiffs any further relief the Court deems just and appropriate.

COUNT IV – BREACH OF WARRANTY
(JMC Coatings)

74. Stock Construction, LLC, sues JMC Coatings for breach of warranty.
75. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
76. Stock Construction, LLC, entered into a Subcontractor Base Agreement with JMC Coatings to perform work, including the waterproofing of many of the buildings in the Paseo Community.
77. A true and correct copy of the Subcontractor Base Agreement with JMC Coatings is attached hereto as **Exhibit 1**.
78. The Association has made allegations related to defective work, including that related to the waterproofing of buildings in the Paseo Community.
79. Stock Construction, LLC, has provided notice to JMC Coatings of JMC Coatings breaching its warranty obligations for the waterproofing work performed by JMC Coatings in the Paseo Community.
80. Stock Construction, LLC, has been damaged by JMC Coatings' breach of warranty.
81. Stock Construction, LLC, has been damaged as a result of the defective work.

82. The defective work has caused damage including rip and tear, water damage, and damage to other property
83. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
84. Stock Construction, LLC, seeks recovery from JMC Coatings for all of Stock Construction, LLC's, damages, including without limitation:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
85. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, JMC Coatings, LLC, awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT V – BREACH OF CONTRACT
(JMC Waterproofing)

86. Stock Construction, LLC, sues JMC Waterproofing for breach of contract.

87. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
88. Stock Construction, LLC, entered into Subcontract Base Agreements with JMC Waterproofing to perform work, including that related to the waterproofing of buildings in the Paseo Community.
89. True and correct copies of the Subcontractor Base Agreements with JMC Waterproofing are attached hereto as **Composite Exhibit 2.**
90. The Association has made allegations related to defective work, including that related to the waterproofing of buildings in the Paseo Community.
91. JMC Waterproofing performed significant and substantial work in waterproofing many of the buildings in the Paseo Community.
92. JMC Waterproofing had a duty to perform its work in a workmanlike manner and in accordance with its contract.
93. JMC Waterproofing breached its contracts by performing work which contained defects and was not of workmanlike quality.
94. The waterproofing in the Paseo Community contained workmanship defects.
95. The defective work has caused damage including rip and tear, water damage, and damage to other property.
96. The defective work caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
97. Stock Construction, LLC, has been damaged as a result of the defective work.
98. Stock Construction, LLC, has suffered damage as a result of JMC Waterproofing's

breach, including, but not limited to, the following:

- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
99. JMC Waterproofing's defective workmanship was a substantial factor in the damage to buildings in the Paseo Community, which, under Florida law, renders JMC Waterproofing liable for all of Stock's damages associated with JMC Waterproofing's work.
100. Stock Construction, LLC, has been damaged by JMC Waterproofing's breach.
101. The damages include, without limitation, remediation damages, overpayment, *et cetera*.
102. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from JMC Waterproofing.
103. Stock Construction, LLC, has satisfied all conditions precedent to maintain this action, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, JMC Painting & Waterproofing, Inc., awarding Stock

Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT VI – CONTRACTUAL INDEMNIFICATION
(JMC Waterproofing)

104. Stock Construction, LLC, sues JMC Waterproofing for contractual indemnification based on claims, losses, damages, and expenses arising out of or resulting from JMC Waterproofing's work.
105. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
106. Stock Construction, LLC, entered into Subcontractor Base Agreements with JMC to perform work, including the waterproofing of buildings in the Paseo Community.
107. True and correct copies of the Subcontractor Base Agreements with JMC Waterproofing are attached hereto as **Composite Exhibit 2.**
108. The Association has made allegations related to defective work, including that related to the waterproofing of buildings in the Paseo Community.
109. The defective work has caused damage including rip and tear, water damage, and damage to other property
110. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
111. Stock Construction, LLC, has been damaged as a result of the defective work.

112. JMC Waterproofing entered into Subcontracts with Stock Construction, LLC, and through those Subcontracts, specifically provided contractual indemnity to Stock Construction, LLC, and the Owner.
113. Despite demand, notice and opportunity to indemnify Stock Construction, LLC, JMC Waterproofing has failed to do so.
114. Pursuant to JMC Waterproofing's Subcontracts, JMC Waterproofing is obligated to pay Stock Construction, LLC's, attorneys' fees and costs.
115. Stock Construction, LLC, has suffered damage as a result of JMC Waterproofing's failure to indemnify Stock Construction, LLC, including, but not limited to, the following:
 - A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
116. JMC Waterproofing has a specific contractual obligation to repair and remediate, compensate Stock Construction, LLC, and then seek recovery through subrogation against otherwise responsible parties.
117. JMC Waterproofing, by failing to take affirmative action to assist, indemnify, and hold Stock Construction, LLC, harmless, has caused and exacerbated damages suffered by Stock Construction, LLC.

118. In the event Stock Construction, LLC, obtains a judgment against any responsible party for claims, losses, damages, and expenses arising out of or resulting from JMC Waterproofing's work, and such judgment is uncollectable, the amount of such uncollected judgment attributable to JMC Waterproofing's work must be paid by JMC Waterproofing, as the need for the litigation in obtaining the judgment was proximately caused by JMC Waterproofing's failure to indemnify and hold harmless Stock Construction, LLC.
119. Stock Construction, LLC, is entitled to all its attorneys' fees and costs and interest on its attorneys' fees and costs incurred in litigating or dealing with claims with other subcontractors, product suppliers, vendors, the engineer, the Association, and any other necessary and proper defendants.
120. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from JMC Waterproofing.
121. Stock Construction, LLC, has satisfied all conditions precedent to maintain this claim, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, JMC Painting & Waterproofing, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT VII – BUILDING CODE VIOLATIONS
(JMC Waterproofing)

122. Stock sues JMC Waterproofing for building code violations.
123. Stock reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
124. Stock Construction, LLC, entered into Subcontractor Base Agreements with JMC Waterproofing to perform work, including the waterproofing of buildings in the Paseo Community.
125. True and correct copies of the Subcontractor Base Agreements with JMC Waterproofing are attached hereto as **Composite Exhibit 2.**
126. The Association has made allegations related to defective work, including that related to the waterproofing of buildings in the Paseo Community.
127. Section 553.84, Florida Statutes, empowers “any person or party” who has been “damaged as a result of a violation of [] the Florida Building Code” to assert a cause of action “against the person or party who committed the violation.”
128. JMC Waterproofing performed work on and materially participated in waterproofing the buildings in the Paseo community.
129. In so doing, JMC Waterproofing violated Florida Building Code provisions related to waterproofing.
130. Stock has been damaged as a result of the defective and non-code-compliant work.
131. The defective work has caused damage including rip and tear, water damage, and damage to other property.

132. The defective work caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
133. JMC Waterproofing's defective workmanship was a substantial factor in the damage to buildings within the Paseo Community, which, under Florida law, render JMC Waterproofing liable for all of Stock's damages associated with JMC Waterproofing's actions.
134. JMC Waterproofing is liable directly to Stock for the damages caused by and resulting from the building code violations.
135. Stock seeks recovery from JMC Waterproofing for all damages incurred by Stock in connection with JMC Waterproofing's building code violations, including without limitation the following:
 - A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
136. Stock has satisfied all conditions precedent to maintain this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiffs, Stock Construction, LLC, and Stock Development, LLC, respectfully request this Court to enter a judgment against Defendant, JMC Painting &

Waterproofing, Inc., awarding Plaintiffs their damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Plaintiffs any further relief the Court deems just and appropriate.

COUNT VIII – BREACH OF WARRANTY
(JMC Waterproofing)

137. Stock Construction, LLC, sues JMC Waterproofing for breach of warranty.
138. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
139. Stock Construction, LLC, entered into Subcontractor Base Agreements with JMC to perform work, including the waterproofing of buildings in the Paseo Community.
140. True and correct copies of the Subcontractor Base Agreements with JMC Waterproofing are attached hereto as **Composite Exhibit 2.**
141. The Association has made allegations related to defective work, including that related to the waterproofing of buildings in the Paseo Community.
142. Stock Construction, LLC, has provided notice to JMC Waterproofing breaching its warranty obligations for the waterproofing work performed by JMC Waterproofing in the Paseo Community.
143. Stock Construction, LLC, has been damaged by JMC Waterproofing's breach of warranty.
144. Stock Construction, LLC, has been damaged as a result of the defective work.
145. The defective work has caused damage including rip and tear, water damage, and damage to other property
146. The defective work has caused damage to other property, including, but not limited

- to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
147. Stock Construction, LLC, seeks recovery from JMC Waterproofing for all of Stock Construction, LLC's, damages, including without limitation:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
148. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, JMC Painting & Waterproofing, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT IX – BREACH OF CONTRACT
(Mario)

149. Stock Construction, LLC, sues Mario for breach of contract.
150. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.

151. Stock Construction, LLC, entered into a Subcontractor Base Agreement with Mario to perform work, including the painting of buildings in the Paseo Community.
152. A true and correct copy of the Subcontractor Base Agreement with Mario is attached hereto as **Exhibit 3.**
153. The Association has made allegations related to defective work, including that related to the painting of buildings in the Paseo Community.
154. Mario performed significant and substantial work related to the painting buildings in the Paseo Community.
155. Mario had a duty to perform its work in a workmanlike manner and in accordance with its contract.
156. Mario breached its contract by performing work which contained defects and was not of workmanlike quality.
157. The painting in the Paseo Community contained workmanship defects.
158. The defective work has caused damage including rip and tear, water damage, and damage to other property.
159. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
160. Stock Construction, LLC, has been damaged as a result of the defective work.
161. Stock Construction, LLC, has suffered damage as a result of Mario's breach, including, but not limited to, the following:
 - A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding

this matter;

C. Any potential settlement payments and other compensation paid to claimants;

D. Litigation and consulting expert fees; and

E. Overhead and warranty costs other than expenses incurred as a result of this

Defendant not honoring its indemnification obligation.

162. Mario's defective workmanship was a substantial factor in the damage to buildings in the Paseo Community, which, under Florida law, renders Mario liable for all of Stock's damages associated with Mario's work.

163. Stock Construction, LLC, has been damaged by Mario's breach.

164. The damages include, without limitation, remediation damages, overpayment, *et cetera*.

165. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from Mario.

166. Stock Construction, LLC, has satisfied all conditions precedent to maintaining this action, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, Mario's Painting of South Florida, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT X – CONTRACTUAL INDEMNIFICATION
(Mario)

167. Stock Construction, LLC, sues Mario for contractual indemnification based on claims, losses, damages, and expenses arising out of or resulting from Mario's work.
168. Stock Construction, LLC, reasserts allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
169. Stock Construction, LLC, entered into a Subcontractor Base Agreement with Mario to perform work, including that related to the painting of buildings in the Paseo Community.
170. A true and correct copy of the Subcontractor Base Agreement with Mario is attached hereto as **Exhibit 3.**
171. The Association has made allegations related to defective work, including that related to the painting of buildings in the Paseo Community.
172. The defective work has caused damage including rip and tear, water damage, and damage to other property
173. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
174. Stock Construction, LLC, has been damaged as a result of the defective work.
175. Mario entered into a Subcontract with Stock Construction, LLC, and through that Subcontract, specifically provided contractual indemnity to Stock Construction, LLC, and the Owner.

176. Despite demand, notice and opportunity to indemnify Stock Construction, LLC, Mario has failed to do so.
177. Pursuant to Mario's Subcontract, Mario is obligated to pay Stock Construction, LLC's, attorneys' fees and costs.
178. Stock Construction, LLC, has suffered damage as a result of Mario's failure to indemnify Stock Construction, LLC, including, but not limited to, the following:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
179. Mario has a specific contractual obligation to repair and remediate, compensate Stock Construction, LLC, and then seek recovery through subrogation against otherwise responsible parties.
180. Mario, by failing to take affirmative action to assist, indemnify, and hold Stock Construction, LLC, harmless, has caused and exacerbated damages suffered by Stock Construction, LLC.
181. In the event Stock Construction, LLC, obtains a judgment against any responsible party for claims, losses, damages, and expenses arising out of or resulting from Mario's work, and such judgment is uncollectable, the amount of such uncollected judgment attributable to Mario's work must be paid by Mario, as the need for the

litigation in obtaining the judgment was proximately caused by Mario's failure to indemnify and hold harmless Stock Construction, LLC.

182. Stock Construction, LLC, is entitled to all its attorneys' fees and costs and interest on its attorneys' fees and costs incurred in litigating or dealing with claims with other subcontractors, product suppliers, vendors, the engineer, the Association, and any other necessary and proper defendants.
183. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from Mario.
184. Stock Construction, LLC, has satisfied all conditions precedent to maintain this claim, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, Mario's Painting of South Florida, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XI – BUILDING CODE VIOLATIONS
(Mario)

185. Stock sues Mario for building code violations.
186. Stock reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.

187. Stock Construction, LLC, entered into a Subcontractor Base Agreement with Mario to perform work, including that related to the painting of buildings in the Paseo Community.
188. A true and correct copy of the Subcontractor Base Agreement with Mario is attached hereto as **Exhibit 3.**
189. The Association has made allegations related to defective work, including, but not limited to, that related to the painting of buildings in the Paseo Community.
190. Section 553.84, Florida Statutes, empowers “any person or party” who has been “damaged as a result of a violation of [] the Florida Building Code” to assert a cause of action “against the person or party who committed the violation.”
191. Mario performed work on and materially participated in the painting of many of the buildings in the Paseo Community.
192. In so doing, Mario violated Florida Building Code provisions related to painting and associated waterproofing.
193. Stock has been damaged as a result of the defective and non-code-compliant work.
194. The defective work has caused damage including rip and tear, water damage, and damage to other property.
195. The defective work caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
196. Mario’s defective workmanship was a substantial factor in the damage to buildings within the Paseo Community, which, under Florida law, renders Mario liable for all of Stock’s damages associated with Mario’s actions.

197. Mario is liable directly to Stock for the damages caused by and resulting from the building code violations.
198. Stock seeks recovery from Mario for all damages incurred by Stock in connection with Mario's building code violations, including without limitation the following:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
199. Stock has satisfied all conditions precedent to maintain this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiffs, Stock Construction, LLC, and Stock Development, LLC, respectfully requests this Court to enter a judgment against Defendant, Mario's Painting of South Florida, Inc., awarding Plaintiffs their damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Plaintiffs any further relief the Court deems just and appropriate.

COUNT XII – BREACH OF WARRANTY
(Mario)

200. Stock Construction, LLC, sues Mario for breach of warranty.
201. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.

202. Stock Construction, LLC, entered into a Subcontractor Base Agreement with Mario to perform work, including the painting of buildings in the Paseo Community.
203. A true and correct copy of the Subcontractor Base Agreement with Mario is attached hereto as **Exhibit 3.**
204. The Association has made allegations related to defective work, including that related to the painting of buildings in the Paseo Community.
205. Stock Construction, LLC, has provided notice to Mario of Mario breaching its warranty obligations for the painting work performed by Mario in the Paseo Community.
206. Stock Construction, LLC, has been damaged by Mario's breach of warranty.
207. Stock Construction, LLC, has been damaged as a result of the defective work.
208. The defective work has caused damage including rip and tear, water damage, and damage to other property
209. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
210. Stock Construction, LLC, seeks recovery from Mario for all of Stock Construction, LLC's, damages, including without limitation:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and

E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.

211. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, Mario's Painting of South Florida, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XIII – BREACH OF CONTRACT
(Prime)

212. Stock Construction, LLC, sues Prime for breach of contract.

213. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.

214. Stock Construction, LLC, entered into Subcontractor Base Agreements with Prime to perform work, including that related to the painting of buildings in the Paseo Community.

215. True and correct copies of the Subcontractor Base Agreements with Prime are attached hereto as **Composite Exhibit 4.**

216. The Association has made allegations related to defective work, including, but not limited to, work related to the painting of buildings in the Paseo Community.

217. Prime performed significant and substantial work in painting buildings in the Paseo Community.

218. Prime had a duty to perform its work in a workmanlike manner and in accordance with its contract.
219. Prime breached its contracts by performing work which contained defects and was not of workmanlike quality.
220. The painting by Prime contained workmanship defects.
221. The defective work has caused damage including rip and tear, water damage, and damage to other property.
222. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
223. Stock Construction, LLC, has been damaged as a result of the defective work.
224. Stock Construction, LLC, has suffered damage as a result of Prime's breach, including, but not limited to, the following:
 - A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
225. Prime's defective workmanship was a substantial factor in the damage to the buildings in the Paseo Community, which, under Florida law, renders Prime liable for all of Stock's damages associated with Prime's work.

226. Stock Construction, LLC, has been damaged by Prime's breach.
227. The damages include, without limitation, remediation damages, overpayment, *et cetera*.
228. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from Prime.
229. Stock Construction, LLC, has satisfied all conditions precedent to maintaining this action, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, Prime Drywall & Painting, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XIV – CONTRACTUAL INDEMNIFICATION
(Prime)

230. Stock Construction, LLC, sues Prime for contractual indemnification based on claims, losses, damages, and expenses arising out of or resulting from Prime's work.
231. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
232. Stock Construction, LLC, entered into Subcontractor Base Agreements with Prime to perform work, including the painting of buildings in the Paseo Community.

233. True and correct copies of the Subcontractor Base Agreements with Prime are attached hereto as **Composite Exhibit 4.**
234. The Association has made allegations related to defective work, including that related to the painting of buildings in the Paseo Community.
235. The defective work has caused damage including rip and tear, water damage, and damage to other property
236. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
237. Stock Construction, LLC, has been damaged as a result of the defective work.
238. Prime entered into Subcontracts with Stock Constructions, LLC, and through the Subcontracts, specifically provided contractual indemnity to Stock Construction, LLC, and the Owner.
239. Despite demand, notice and opportunity to indemnify Stock Construction, LLC, Prime has failed to do so.
240. Pursuant to Prime's Subcontracts, Prime is obligated to pay Stock Construction, LLC's, attorneys' fees and costs.
241. Stock Construction, LLC, has suffered damage as a result of Prime's failure to indemnify Stock Construction, LLC, including, but not limited to, the following:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;

- D. Litigation and consulting expert fees; and
- E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
242. Prime has a specific contractual obligation to repair and remediate, compensate Stock Construction, LLC, and then seek recovery through subrogation against otherwise responsible parties.
243. Prime, by failing to take affirmative action to assist, indemnify, and hold Stock Construction, LLC, harmless, has caused and exacerbated damages suffered by Stock Construction, LLC.
244. In the event Stock Construction, LLC, obtains a judgment against any responsible party for claims, losses, damages, and expenses arising out of or resulting from Prime's work, and such judgment is uncollectable, the amount of such uncollected judgment attributable to Prime's work must be paid by Prime, as the need for the litigation in obtaining the judgment was proximately caused by Prime's failure to indemnify and hold harmless Stock Construction, LLC.
245. Stock Construction, LLC, is entitled to all its attorneys' fees and costs and interest on its attorneys' fees and costs incurred in litigating or dealing with claims with other subcontractors, product suppliers, vendors, the engineer, the Association, and any other necessary and proper defendants.
246. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from Prime.

247. Stock Construction, LLC, has satisfied all conditions precedent to maintain this claim, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, Prime Drywall of South Florida, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XV – BUILDING CODE VIOLATIONS
(Prime)

248. Stock sues Prime for building code violations.
249. Stock reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
250. Stock Construction, LLC, entered into Subcontractor Base Agreements with Prime to perform work, including the painting of buildings in the Paseo Community.
251. True and correct copies of the Subcontractor Base Agreements with Prime are attached hereto as **Composite Exhibit 4.**
252. The Association has made allegation related to defective work, including that related to the painting of buildings in the Paseo Community.
253. Section 553.84, Florida Statutes, empowers “any person or party” who has been “damaged as a result of a violation of [] the Florida Building Code” to assert a cause of action “against the person or party who committed the violation.”
254. Prime performed work on and materially participated in the painting of many of the buildings in the Paseo Community.

255. In so doing, Prime violated Florida Building Code provisions related to painting and associated waterproofing.
256. Stock has been damaged as a result of the defective and non-code-compliant work
257. The defective work has caused damage including rip and tear, water damage, and damage to other property.
258. The defective work caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
259. Prime's defective workmanship was a substantial factor in the damage to buildings within the Paseo Community, which, under Florida law, renders Prime liable for all of Stock's damages associated with Prime's actions.
260. Prime is liable directly to Stock for the damages caused by and resulting from the building code violations.
261. Stock seeks recovery from Prime for all damages incurred by Stock in connection with Prime's building code violations, including without limitation the following:
 - A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.

262. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, and Stock Development, LLC, respectfully request this Court to enter a judgment against Defendant, Prime Drywall & Painting, Inc., awarding Plaintiffs their damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Plaintiffs any further relief the Court deems just and appropriate.

COUNT XVI – BREACH OF WARRANTY
(Prime)

263. Stock Construction, LLC, sues Prime for breach of warranty.

264. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.

265. Stock Construction, LLC, entered into Subcontractor Base Agreements with Prime to perform work, including that related to the painting of buildings in the Paseo Community.

266. True and correct copies of the Subcontractor Base Agreements with Prime are attached hereto as **Composite Exhibit 4.**

267. The Association has made allegations related to defective work, including that related to the painting of buildings in the Paseo Community.

268. Stock Construction, LLC, has provided notice to Prime of Prime breaching its warranty obligations for the painting work performed by Prime in the Paseo Community.

269. Stock Construction, LLC, has been damaged by Prime's breach of warranty.

270. Stock Construction, LLC, has been damaged as a result of the defective work.

271. The defective work has caused damage including rip and tear, water damage, and damage to other property
272. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
273. Stock Construction, LLC, seeks recovery from Prime for all of Stock Construction, LLC's, damages, including without limitation:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
274. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, Prime Drywall & Painting, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XVII – BREACH OF CONTRACT
(Statewide)

- 275. Stock Construction, LLC, sues Statewide for breach of contract.
- 276. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
- 277. Stock Construction, LLC, entered into Subcontractor Base Agreements with Statewide to perform work, including that related to the painting of buildings in the Paseo Community.
- 278. True and correct copies of the Subcontractor Base Agreements with Statewide are attached hereto as **Composite Exhibit 5.**
- 279. The Association has made allegations related to defective work, including, but not limited to, work related to the painting of buildings in the Paseo Community.
- 280. Statewide performed significant and substantial work in painting many of the buildings in the Paseo Community.
- 281. Statewide had a duty to perform its work in a workmanlike manner and in accordance with its contract.
- 282. Statewide breached its contracts by performing work which contained defects and was not of workmanlike quality.
- 283. The painting in the Paseo Community contained workmanship defects.
- 284. The defective work has caused damage including rip and tear, water damage, and damage to other property.

285. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
286. Stock Construction, LLC, has been damaged as a result of the defective work.
287. Stock Construction, LLC, has suffered damage as a result of Statewide's breach, including, but not limited to, the following:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
288. Statewide's defective workmanship was a substantial factor in the damage to the buildings in the Paseo Community, which, under Florida law, renders Statewide liable for all of Stock's damages associated with Statewide's work.
289. Stock Construction, LLC, has been damaged by Statewide's breach.
290. The damages include, without limitation, remediation damages, overpayment, *et cetera*.
291. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from Statewide.

292. Stock Construction, LLC, has satisfied all conditions precedent to maintaining this action, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, Statewide Painting & Pressure Cleaning, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XVIII – CONTRACTUAL INDEMNIFICATION
(Statewide)

293. Stock Construction, LLC, sues Statewide for contractual indemnification based on claims, losses, damages, and expenses arising out of or resulting from Statewide's work.

294. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.

295. Stock Construction, LLC, entered into Subcontractor Base Agreements with Statewide to perform work, including the painting of buildings in the Paseo Community.

296. True and correct copies of the Subcontractor Base Agreements with Statewide are attached hereto as **Composite Exhibit 5.**

297. The Association has made allegations related to defective work, including that related to the painting of buildings in the Paseo Community.

298. The defective work has caused damage including rip and tear, water damage, and damage to other property

299. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
300. Stock Construction, LLC, has been damaged as a result of the defective work.
301. Statewide entered into Subcontracts with Stock Construction, LLC, and through the Subcontracts, specifically provided contractual indemnity to Stock Construction, LLC, and the Owner.
302. Despite demand, notice and opportunity to indemnify Stock Construction, LLC, Statewide has failed to do so.
303. Pursuant to Statewide's Subcontracts, Statewide is obligated to pay Stock Construction, LLC's, attorneys' fees and costs.
304. Stock Construction, LLC, has suffered damage as a result of Statewide's failure to indemnify Stock Construction, LLC, including, but not limited to, the following:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
305. Statewide has a specific contractual obligation to repair and remediate, compensate Stock Construction, LLC, and then seek recovery through subrogation against otherwise responsible parties.

306. Statewide, by failing to take affirmative action to assist, indemnify, and hold Stock Construction, LLC, harmless, has caused and exacerbated damages suffered by Stock Construction, LLC.
307. In the event Stock Construction, LLC, obtains a judgment against any responsible party for claims, losses, damages, and expenses arising out of or resulting from Statewide's work, and such judgment is uncollectable, the amount of such uncollected judgment attributable to Statewide's work must be paid by Statewide, as the need for the litigation in obtaining the judgment was proximately caused by Statewide's failure to indemnify and hold harmless Stock Construction, LLC.
308. Stock Construction, LLC, is entitled to all its attorneys' fees and costs and interest on its attorneys' fees and costs incurred in litigating or dealing with claims with other subcontractors, product suppliers, vendors, the engineer, the Association, and any other necessary and proper defendants.
309. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from Statewide.
310. Stock Construction, LLC, has satisfied all conditions precedent to maintain this claim, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, Statewide Painting & Pressure Cleaning, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred

in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XIX – BUILDING CODE VIOLATIONS
(Statewide)

- 311. Stock sues Statewide for building code violations.
- 312. Stock reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
- 313. Stock Construction, LLC, entered into Subcontractor Base Agreements with Statewide to perform work, including the painting of buildings in the Paseo Community.
- 314. True and correct copies of the Subcontractor Base Agreements with Statewide are attached hereto as **Composite Exhibit 5.**
- 315. The Association has made allegations related to defective work, including that related to the painting of buildings in the Paseo Community.
- 316. Section 553.84, Florida Statutes, empowers “any person or party” who has been “damaged as a result of a violation of [] the Florida Building Code” to assert a cause of action “against the person or party who committed the violation.”
- 317. Statewide performed work on and materially participated in painting many of the buildings in the Paseo Community.
- 318. In so doing, Statewide violated Florida Building Code provisions related to painting and associated waterproofing.
- 319. Stock has been damaged as a result of the defective and non-code-compliant work.
- 320. The defective work has caused damage including rip and tear, water damage, and

damage to other property.

321. The defective work caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
322. Statewide's defective workmanship was a substantial factor in the damage to buildings within the Paseo Community, which, under Florida law, renders Statewide liable for all of Stock's damages associated with Statewide's actions.
323. Statewide is liable directly to Stock for the damages caused by and resulting from the building code violations.
324. Stock seeks recovery from Statewide for all damages incurred by Stock in connection with Statewide's building code violations, including without limitation the following:
 - A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimant;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
325. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiffs, Stock Construction, LLC, and Stock Development, LLC, respectfully request this Court to enter a judgment against Defendant, Statewide Painting & Pressure Cleaning, Inc., awarding Plaintiffs their damages, prejudgment interest, attorneys' fees

and costs incurred in this matter, and awarding Plaintiffs any further relief the Court deems just and appropriate.

COUNT XX – BREACH OF WARRANTY
(Statewide)

- 326. Stock Construction, LLC, sues Statewide for breach of warranty.
- 327. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
- 328. Stock Construction, LLC, entered into Subcontractor Base Agreements with Statewide to perform work, including the painting of buildings in the Paseo Community.
- 329. True and correct copies of the Subcontractor Base Agreements with Statewide are attached hereto as **Composite Exhibit 5.**
- 330. The Association has made allegations related to defective work, including that related to the painting of buildings in the Paseo Community.
- 331. Stock Construction, LLC, has provided notice to Statewide of Statewide breaching its warranty obligations for the painting work performed by Statewide in the Paseo Community.
- 332. Stock Construction, LLC, has been damaged by Statewide's breach of warranty.
- 333. Stock Construction, LLC, has been damaged as a result of the defective work.
- 334. The defective work has caused damage including rip and tear, water damage, and damage to other property
- 335. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal

property with buildings in the Paseo Community.

336. Stock Construction, LLC, seeks recovery from Statewide for all of Stock Construction, LLC's, damages, including without limitation:

- A. Investigative repair and remediation costs;
- B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
- C. Any potential settlement payments and other compensation paid to claimants;
- D. Litigation and consulting expert fees; and
- E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.

337. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, Statewide Painting & Pressure Cleaning, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XXI – BREACH OF CONTRACT
(Sutton)

338. Stock Construction, LLC, sues Sutton for breach of contract.

339. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.

340. Stock Construction, LLC, entered into a Subcontractor Base Agreement with Sutton to perform work, including that related to installation of weather barriers in the buildings of the Paseo Community.
341. A true and correct copy of the Subcontractor Base Agreement with Sutton is attached hereto as **Exhibit 6.**
342. The Association has made allegations related to defective work, including, but not limited to, work related to installing weather barriers in buildings in the Paseo Community.
343. Sutton performed significant and substantial work in installing weather barriers in buildings in the Paseo Community.
344. Sutton had a duty to perform its work in a workmanlike manner and in accordance with its contract.
345. Sutton breached its contract by performing work which contained defects and was not of workmanlike quality.
346. The weather barriers in the Paseo Community installed by Sutton contained workmanship defects.
347. The defective work has caused damage including rip and tear, water damage, and damage to other property.
348. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
349. Stock Construction, LLC, has been damaged as a result of the defective work.

350. Stock Construction, LLC, has suffered damage as a result of Sutton's breach, including, but not limited to, the following:
- A. Investigative repair;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
351. Sutton's defective workmanship was a substantial factor in the damage to the buildings in the Paseo Community, which, under Florida law, renders Sutton liable for all of Stock's damages associated with Sutton's work.
352. Stock Construction, LLC, has been damaged by Sutton's breach.
353. The damages include, without limitation, remediation damages, overpayment, *et cetera*.
354. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from Sutton.
355. Stock Construction, LLC, has satisfied all conditions precedent to maintaining this action, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, Sutton Contracting Solutions, Inc., awarding Stock

Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XXII – CONTRACTUAL INDEMNIFICATION
(Sutton)

- 356. Stock Construction, LLC, sues Sutton for contractual indemnification based on claims, losses, damages, and expenses arising out of or resulting from Sutton's work.
- 357. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
- 358. Stock Construction, LLC, entered into a Subcontractor Base Agreement with Sutton to perform work, including the installation of weather barriers in buildings in the Paseo Community.
- 359. A true and correct copy of the Subcontractor Base Agreement with Sutton is attached hereto as **Exhibit 6.**
- 360. The Association has made allegations related to defective work, including that related to the installation of weather barriers in buildings in the Paseo Community.
- 361. The defective work has caused damage including rip and tear, water damage, and damage to other property
- 362. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
- 363. Stock Construction, LLC, has been damaged as a result of the defective work.

364. Sutton entered into a Subcontract with Stock Construction, LLC, and through the Subcontract, specifically provided contractual indemnity to Stock Construction, LLC, and the Owner.
365. Despite demand, notice and opportunity to indemnify Stock Construction, LLC, Sutton has failed to do so.
366. Pursuant to Sutton's Subcontract, Sutton is obligated to pay Stock Construction, LLC's, attorneys' fees and costs.
367. Stock Construction, LLC, has suffered damage as a result of Sutton's failure to indemnify Stock Construction, LLC, including, but not limited to, the following:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
368. Sutton has a specific contractual obligation to repair and remediate, compensate Stock Construction, LLC, and then seek recovery through subrogation against otherwise responsible parties.
369. Sutton, by failing to take affirmative action to assist, indemnify, and hold Stock Construction, LLC, harmless, has caused and exacerbated damages suffered by Stock Construction, LLC.
370. In the event Stock Construction, LLC, obtains a judgment against any responsible

party for claims, losses, damages, and expenses arising out of or resulting from Sutton's work, and such judgment is uncollectable, the amount of such uncollected judgment attributable to Sutton's work must be paid by Sutton, as the need for the litigation in obtaining the judgment was proximately caused by Sutton's failure to indemnify and hold harmless Stock Construction, LLC.

371. Stock Construction, LLC, is entitled to all its attorneys' fees and costs and interest on its attorneys' fees and costs incurred in litigating or dealing with claims with other subcontractors, product suppliers, vendors, the engineer, the Association, and any other necessary and proper defendants.
372. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from Sutton.
373. Stock Construction, LLC, has satisfied all conditions precedent to maintain this claim, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, Sutton Contracting Solutions, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XXIII – BUILDING CODE VIOLATIONS
(Sutton)

374. Stock sues Sutton for building code violations.

375. Stock reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
376. Stock Construction, LLC, entered into a Subcontractor Base Agreement with Sutton to perform work, including the installation of weather barriers in buildings in the Paseo Community.
377. A true and correct copy of the Subcontractor Base Agreement with Sutton is attached hereto as **Exhibit 6.**
378. The Association has made allegations related to defective work, including, but not limited to, that related to the installation of the weather barriers in the buildings of the Paseo Community.
379. Section 553.84, Florida Statutes, empowers “any person or party” who has been “damaged as a result of a violation of [] the Florida Building Code” to assert a cause of action “against the person or party who committed the violation.”
380. Sutton performed work on and materially participated in the installation of the weather barriers in the buildings of the Paseo Community.
381. In so doing, Sutton violated Florida Building Code provisions related to the installation of weather barriers.
382. Stock has been damaged as a result of the defective and non-code-compliant work.
383. The defective work has caused damage including rip and tear, water damage, and damage to other property.
384. The defective work caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.

385. Sutton's defective workmanship was a substantial factor in the damage to buildings within the Paseo Community, which, under Florida law, renders Sutton liable for all of Stock's damages associated with Sutton's actions.
386. Sutton is liable directly to Stock for the damages caused by and resulting from the building code violations.
387. Stock seeks recovery from Sutton for all damages incurred by Stock in connection with Sutton's building code violations, including without limitation the following:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
388. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiffs, Stock Construction, LLC, and Stock Development, LLC, respectfully request this Court to enter a judgment against Defendant, Sutton Contracting Solutions, Inc., awarding Plaintiffs their damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Plaintiffs any further relief the Court deems just and appropriate.

COUNT XXIV – BREACH OF WARRANTY
(Sutton)

389. Stock Construction, LLC, sues Sutton for breach of warranty.
390. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
391. Stock Construction, LLC, entered into a Subcontractor Base Agreement with Sutton to perform work, including the installation of weather barriers in buildings in the Paseo Community.
392. A true and correct copy of the Subcontractor Base Agreement is attached hereto as **Exhibit 6.**
393. The Association has made allegations related to defective work, including that related to the installation of weather barriers in buildings in the Paseo Community.
394. Stock Construction, LLC, has provided notice to Sutton of Sutton breaching its warranty obligations for the weather-barrier work performed by Sutton in the Paseo Community.
395. Stock Construction, LLC, has been damaged by Sutton's breach of warranty.
396. Stock Construction, LLC, has been damaged as a result of the defective work.
397. The defective work has caused damage including rip and tear, water damage, and damage to other property
398. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.

399. Stock Construction, LLC, seeks recovery from Sutton for all of Stock Construction, LLC's, damages, including without limitation:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
400. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, Sutton Contracting Solutions, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XXV – BREACH OF CONTRACT
(Franco)

401. Stock Construction, LLC, sues Franco for breach of contract.
402. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.

403. Stock Construction, LLC, entered into a Subcontractor Base Agreement with Franco to perform work, including that related to the painting of buildings in the Paseo Community.
404. A true and correct copy of the Subcontractor Base Agreement with Franco is attached hereto as **Exhibit 7.**
405. The Association has made allegations related to defective work, including, but not limited to, work related to the painting of buildings in the Paseo Community.
406. Franco performed significant and substantial work in painting many of the buildings in the Paseo Community.
407. Franco had a duty to perform its work in a workmanlike manner and in accordance with its contract.
408. Franco breached its contract by performing work which contained defects and was not of workmanlike quality.
409. The painting in the Paseo Community contained workmanship defects.
410. The defective work has caused damage including rip and tear, water damage, and damage to other property.
411. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
412. Stock Construction, LLC, has been damaged as a result of the defective work.
413. Stock Construction, LLC, has suffered damage as a result of Franco's breach, including, but not limited to, the following:
- A. Investigative repair and remediation costs;

- B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
414. Franco's defective workmanship was a substantial factor in the damage to the buildings in the Paseo Community, which, under Florida law, renders Franco liable for all of Stock's damages associated with Franco's work.
415. Stock Construction, LLC, has been damaged by Franco's breach.
416. The damages include, without limitation, remediation damages, overpayment, *et cetera*.
417. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from Franco.
418. Stock Construction, LLC, has satisfied all conditions precedent to maintaining this action, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, SW USA Franco, LLC, awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XXVI – CONTRACTUAL INDEMNIFICATION
(Franco)

419. Stock Construction, LLC, sues Franco for contractual indemnification based on claims, losses, damages, and expenses arising out of or resulting from Franco's work.
420. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
421. Stock Construction, LLC, entered into a Subcontractor Base Agreement with Franco to perform work, including the painting of buildings in the Paseo Community.
422. A true and correct copy of the Subcontractor Base Agreement with Franco is attached hereto as **Exhibit 7**.
423. The Association has made allegations related to defective work, including that related to the painting of buildings in the Paseo Community.
424. The defective work has caused damage including rip and tear, water damage, and damage to other property
425. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
426. Stock Construction, LLC, has been damaged as a result of the defective work.
427. Franco entered into a Subcontract with Stock Construction, LLC, and through the Subcontract, specifically provided contractual indemnity to Stock Construction, LLC, and the Owner.
428. Despite demand, notice and opportunity to indemnify Stock Construction, LLC, Franco has failed to do so.

429. Pursuant to Franco's Subcontract, Franco is obligated to pay Stock Construction, LLC's, attorneys' fees and costs.
430. Stock Construction, LLC, has suffered damage as a result of Franco's failure to indemnify Stock Construction, LLC, including, but not limited to, the following:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
431. Franco has a specific contractual obligation to repair and remediate, compensate Stock Construction, LLC, and then seek recovery through subrogation against otherwise responsible parties.
432. Franco, by failing to take affirmative action to assist, indemnify, and hold Stock Construction, LLC, harmless, has caused and exacerbated damages suffered by Stock Construction, LLC.
433. In the event Stock Construction, LLC, obtains a judgment against any responsible party for claims, losses, damages, and expenses arising out of or resulting from Franco's work, and such judgment is uncollectable, the amount of such uncollected judgment attributable to Franco's work must be paid by Franco, as the need for the litigation in obtaining the judgment was proximately caused by Franco's failure to indemnify and hold harmless Stock Construction, LLC.

434. Stock Construction, LLC, is entitled to all its attorneys' fees and costs and interest on its attorneys' fees and costs incurred in litigating or dealing with claims with other subcontractors, product suppliers, vendors, the engineer, the Association, and any other necessary and proper defendants.
435. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from Franco.
436. Stock Construction, LLC, has satisfied all conditions precedent to maintain this claim, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, SW USA Franco, LLC, awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XXVII – BUILDING CODE VIOLATIONS
(Franco)

437. Stock sues Franco for building code violations.
438. Stock reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
439. Stock Construction, LLC, entered into a Subcontractor Base Agreement with Franco to perform work, including the painting of buildings in the Paseo Community.
440. A true and correct copy of the Subcontractor Base Agreement with Franco is attached hereto as **Exhibit 7**.

441. The Association has made allegations related to defective work, including that related to the painting of buildings in the Paseo Community.
442. Section 553.84, Florida Statutes, empowers “any person or party” who has been “damaged as a result of a violation of [] the Florida Building Code” to assert a cause of action “against the person or party who committed the violation.”
443. Franco performed work on and materially participated in painting many of the buildings in the Paseo Community.
444. In so doing, Franco violated Florida Building Code provisions related to painting and associated waterproofing.
445. Stock has been damaged as a result of the defective and non-code-compliant work.
446. The defective work has caused damage including rip and tear, water damage, and damage to other property.
447. The defective work caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
448. Franco’s defective workmanship was a substantial factor in the damage to buildings within the Paseo Community, which, under Florida law, renders Franco liable for all of Stock’s damages associated with Franco’s actions.
449. Franco is liable directly to Stock for the damages caused by and resulting from the building code violations.
450. Stock seeks recovery from Franco for all damages incurred by Stock in connection with Franco building code violations, including without limitation the following:
- A. Investigative repair and remediation costs;

- B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
451. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiffs, Stock Construction, LLC, and Stock Development, LLC, respectfully request this Court to enter a judgment against Defendant, SW USA Franco, LLC, awarding Plaintiffs their damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Plaintiffs any further relief the Court deems just and appropriate.

COUNT XXVIII – BREACH OF WARRANTY
(Franco)

452. Stock Construction, LLC, sues Franco for breach of warranty.
453. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
454. Stock Construction, LLC, entered into a Subcontractor Base Agreement with Franco to perform work, including the painting of buildings in the Paseo Community.
455. A true and correct copy of the Subcontractor Base Agreement with Franco is attached hereto as **Exhibit 7.**
456. The Association has made allegations related to defective work, including that related to the painting of buildings in the Paseo Community.

457. Stock Construction, LLC, has provided notice to Franco of Franco breaching its warranty obligations for the painting work performed by Franco in the Paseo Community.
458. Stock Construction, LLC, has been damaged by Franco's breach of warranty.
459. Stock Construction, LLC, has been damaged as a result of the defective work.
460. The defective work has caused damage including rip and tear, water damage, and damage to other property
461. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
462. Stock Construction, LLC, seeks recovery from Franco for all of Stock Construction, LLC's, damages, including without limitation:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
463. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, SW USA Franco, LLC, awarding Stock Construction, LLC,

its damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XXIX – BREACH OF CONTRACT
(West Coast)

- 464. Stock Construction, LLC, sues West Coast for breach of contract.
- 465. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
- 466. Stock Construction, LLC, entered into Subcontractor Base Agreements with West Coast to perform work, including that related to insulation, closet shelving, mirrors, and shower enclosures.
- 467. True and correct copies of the Subcontractor Base Agreements with West Coast are attached hereto as **Composite Exhibit 8.**
- 468. The Association has made allegations related to defective work, including, but not limited to, work related to insulation and other work in buildings in the Paseo Community.
- 469. West Coast performed significant and substantial work including, but not limited to, that which related to the installation of insulation in buildings in the Paseo Community.
- 470. West Coast had a duty to perform its work in a workmanlike manner and in accordance with its contract.
- 471. West Coast breached its contracts by performing work which contained defects and was not of workmanlike quality.
- 472. The insulation in the Paseo Community contained workmanship defects.

473. The defective work has caused damage including rip and tear, water damage, and damage to other property.
474. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
475. Stock Construction, LLC, has been damaged as a result of the defective work.
476. Stock Construction, LLC, has suffered damage as a result of West Coast's breach, including, but not limited to, the following:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
477. West Coast's defective workmanship was a substantial factor in the damage to the buildings in the Paseo Community, which, under Florida law, renders West Coast liable for all of Stock's damages associated with West Coast's work.
478. Stock Construction, LLC, has been damaged by West Coast's breach.
479. The damages include, without limitation, remediation damages, overpayment, *et cetera*.
480. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees

and costs in prosecuting this matter, and is entitled to the recovery of the same from West Coast.

481. Stock Construction, LLC, has satisfied all conditions precedent to maintaining this action, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, United Subcontractors, Inc., d/b/a NCR/West Coast Insulation, awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XXX – CONTRACTUAL INDEMNIFICATION
(West Coast)

482. Stock Construction, LLC, sues West Coast for contractual indemnification based on claims, losses, damages, and expenses arising out of or resulting from West Coast's work.
483. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
484. Stock Construction, LLC, entered into Subcontractor Base Agreements with West Coast to perform work, including that related to insulation, closet shelving, mirrors, and shower enclosures.
485. True and correct copies of the Subcontractor Base Agreements with West Coast are attached hereto as **Composite Exhibit 8.**
486. The Association has made allegations related to defective work, including that related to the insulation and other work in buildings in the Paseo Community.

487. The defective work has caused damage including rip and tear, water damage, and damage to other property
488. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
489. Stock Construction, LLC, has been damaged as a result of the defective work.
490. West Coast entered into Subcontracts with Stock Construction, LLC, and through the Subcontract, specifically provided contractual indemnity to Stock Construction, LLC, and the Owner.
491. Despite demand, notice and opportunity to indemnify Stock Construction, LLC, West Coast has failed to do so.
492. Pursuant to West Coast's Subcontracts, West Coast is obligated to pay Stock Construction, LLC's, attorneys' fees and costs.
493. Stock Construction, LLC, has suffered damage as a result of West Coast's failure to indemnify Stock Construction, LLC, including, but not limited to, the following:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.

494. West Coast has a specific contractual obligation to repair and remediate, compensate Stock Construction, LLC, and then seek recovery through subrogation against otherwise responsible parties.
495. West Coast, by failing to take affirmative action to assist, indemnify, and hold Stock Construction, LLC, harmless, has caused and exacerbated damages suffered by Stock Construction, LLC.
496. In the event Stock Construction, LLC, obtains a judgment against any responsible party for claims, losses, damages, and expenses arising out of or resulting from West Coast's work, and such judgment is uncollectable, the amount of such uncollected judgment attributable to West Coast's work must be paid by West Coast, as the need for the litigation in obtaining the judgment was proximately caused by West Coast's failure to indemnify and hold harmless Stock Construction, LLC.
497. Stock Construction, LLC, is entitled to all its attorneys' fees and costs and interest on its attorneys' fees and costs incurred in litigating or dealing with claims with other subcontractors, product suppliers, vendors, the engineer, the Association, and any other necessary and proper defendants.
498. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from West Coast.
499. Stock Construction, LLC, has satisfied all conditions precedent to maintain this claim, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, United Subcontractors, Inc., d/b/a NCR/West Coast Insulation, awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XXXI – BUILDING CODE VIOLATIONS
(West Coast)

- 500. Stock sues West Coast for building code violations.
- 501. Stock reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
- 502. Stock Construction, LLC, entered into Subcontractor Base Agreements with West Coast to perform work, including that related to insulation, closet shelving, mirrors, and shower enclosures.
- 503. True and correct copies of the Subcontractor Base Agreements with West Coast are attached hereto as **Composite Exhibit 8.**
- 504. The Association has made allegations related to defective work, including, but not limited to, that related to insulation and other work in buildings in the Paseo Community.
- 505. Section 553.84, Florida Statutes, empowers “any person or party” who has been “damaged as a result of a violation of [] the Florida Building Code” to assert a cause of action “against the person or party who committed the violation.”

506. West Coast performed work on and materially participated in the installation of insulation, closet shelving, mirrors, and shower enclosures in the buildings of the Paseo Community.
507. In so doing, West Coast violated Florida Building Code provisions related to the installation of insulation.
508. Stock has been damaged as a result of the defective and non-code-compliant work.
509. The defective work has caused damage including rip and tear, water damage, and damage to other property.
510. The defective work caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
511. West Coast's defective workmanship was a substantial factor in the damage to buildings within the Paseo Community, which, under Florida law, renders West Coast liable for all of Stock's damages associated with West Coast's actions.
512. West Coast is liable directly to Stock for the damages caused by and resulting from the building code violations.
513. Stock seeks recovery from West Coast for all damages incurred by Stock in connection with West Coast's building code violations, including without limitation the following:
 - A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;

D. Litigation and consulting expert fees; and

E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.

514. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiffs, Stock Construction, LLC, and Stock Development, LLC, respectfully request this Court to enter a judgment against Defendant, United Subcontractors, Inc., d/b/a NCR/West Coast Insulation, awarding Plaintiffs their damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Plaintiffs any further relief the Court deems just and appropriate.

COUNT XXXII – BREACH OF WARRANTY
(West Coast)

515. Stock Construction, LLC, sues West Coast for breach of warranty.

516. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.

517. Stock Construction, LLC, entered into Subcontractor Base Agreements with West Coast to perform work, including work related to insulation, closet shelving, mirrors, and shower enclosures.

518. True and correct copies of the Subcontractor Base Agreements with West Coast are attached hereto as **Composite Exhibit 8.**

519. The Association has made allegations related to defective work, including that related to insulation and other work in buildings in the Paseo Community.

520. Stock Construction, LLC, has provided notice to West Coast of West Coast breaching its warranty obligations for the insulation and other work performed by West in the Paseo Community.
521. Stock Construction, LLC, has been damaged by West Coast's breach of warranty.
522. Stock Construction, LLC, has been damaged as a result of the defective work.
523. The defective work has caused damage including rip and tear, water damage, and damage to other property
524. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
525. Stock Construction, LLC, seeks recovery from West Coast for all of Stock Construction, LLC's, damages, including without limitation:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
526. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, United Subcontractors, Inc., d/b/a NCR/West Coast Insulation, awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XXXIII – BREACH OF CONTRACT
(J & D Heating)

- 527. Stock Construction, LLC, sues J & D Heating for breach of contract.
- 528. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
- 529. Stock Construction, LLC, entered into Subcontractor Base Agreements with J & D Heating to perform work related to the installation of heating, ventilating, and air conditioning units (“HVAC”) in many of the buildings in the Paseo Community.
- 530. True and correct copies of the J & D Heating Subcontract Base Agreements are attached hereto as **Composite Exhibit 9.**
- 531. The Association has made allegations related to defective work, including, but not limited to, that related to the HVAC units in many of the buildings in the Paseo Community.
- 532. J & D Heating performed significant and substantial work related to the installation of HVAC units in many of the buildings in the Paseo Community.
- 533. J & D Heating had a duty to perform its work in a workmanlike manner and in accordance with its contracts.

534. J & D Heating breached its contract by performing work which contained defects and was not of workmanlike quality.
535. The HVAC units contained workmanship defects.
536. The defective work has caused damage including rip and tear, water damage, and damage to other property.
537. The defective work caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
538. Stock Construction, LLC, has been damaged as a result of the defective work.
539. Stock Construction, LLC, has suffered damage as a result of J & D Heating's breach, including, but not limited to, the following:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation
540. J & D Heating's workmanship was a substantial factor in the damage to buildings in the Paseo Community, which, under Florida law, renders J & D Heating liable for all of Stock's damages associated with J & D Heating's work.
541. Stock Construction, LLC, has been damaged by J & D Heating's breach.
542. The damages include, without limitation, remediation damages, overpayment, *et*

cetera.

543. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from J & D Heating.
544. Stock Construction, LLC, has satisfied all conditions precedent to maintaining this action, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, J & D Heating and Air Conditioning., Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XXXIV – CONTRACTUAL INDEMNIFICATION
(J & D Heating)

545. Stock Construction, LLC, sues J & D Heating for contractual indemnification based on claims, losses, damages, and expenses arising out of or resulting from J & D Heating's work.
546. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
547. Stock Construction, LLC, entered into Subcontractor Base Agreements with J & D Heating to perform work related to the installation of HVAC units in many of the buildings in the Paseo Community.
548. True and correct copies of the J & D Heating Subcontract Base Agreements are

attached hereto as **Composite Exhibit 9.**

549. The Association has made allegations related to defective work, including, but not limited to, that related to the HVAC units in many of the buildings in the Paseo Community.
550. The defective work has caused damage including rip and tear, water damage, and damage to other property.
551. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
552. Stock Construction, LLC, has been damaged as a result of the defective work.
553. J & D Heating entered into Subcontracts with Stock Construction, LLC, and through those Subcontracts, specifically provided contractual indemnity to Stock Construction, LLC, and the Owner.
554. Despite demand, notice and opportunity to indemnify Stock Construction, LLC, J & D Heating has failed to do so.
555. Pursuant to J & D Heating's Subcontracts, J & D Heating is obligated to pay Stock Construction, LLC's, attorneys' fees and costs.
556. Stock Construction, LLC, has suffered damage as a result of J & D Heating's failure to indemnify Stock Construction, LLC, including but not limited to the following:
 - A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;

- D. Litigation and consulting expert fees; and
- E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
557. J & D Heating has a specific contractual obligation to repair and remediate, compensate Stock Construction, LLC, and then seek recovery through subrogation against otherwise responsible parties.
558. J & D Heating, by failing to take affirmative action to assist, indemnify, and hold Stock Construction, LLC, harmless, has caused and exacerbated damages suffered by Stock Construction, LLC.
559. In the event Stock Construction, LLC, obtains a judgment against any responsible party for claims, losses, damages, and expenses arising out of or resulting from J & D Heating's work, and such judgment is uncollectable, the amount of such uncollected judgment attributable to J & D Heating's work must be paid by J & D Heating, as the need for the litigation in obtaining the judgment was proximately caused by J & D Heating's failure to indemnify and hold harmless Stock Construction, LLC.
560. Stock Construction, LLC, is entitled to all its attorneys' fees and costs and interest on its attorneys' fees and costs incurred in litigating or dealing with claims with other subcontractors, product suppliers, vendors, the engineer, the Association, and any other necessary and proper defendants.
561. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from J & D Heating.

562. Stock Construction, LLC, has satisfied all conditions precedent to maintaining this claim, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, J & D Heating and Air Conditioning, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XXXV – BUILDING CODE VIOLATIONS
(J & D Heating)

563. Stock sues J & D Heating for building code violations.

564. Stock reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.

565. Stock Construction, LLC, entered into Subcontractor Base Agreements with J & D Heating to perform work related to the installation of HVAC units in many of the buildings in the Paseo Community.

566. True and correct copies of the J & D Heating Subcontract Base Agreements are attached hereto as **Composite Exhibit 9.**

567. The Association has made allegations related to defective work, including, but not limited to, that related to the HVAC units in many of the buildings in the Paseo Community.

568. Section 553.84, Florida Statutes, empowers “any person or party” who has been “damaged as a result of a violation of [] the Florida Building Code” to assert a cause of action “against the person or party who committed the violation.”

569. J & D Heating performed work on and materially participated in the installation of certain HVAC units in many of the buildings in the Paseo Community.
570. In so doing, J & D Heating violated Florida Building Code provisions related to the installation of HVAC units and associated weather protection/waterproofing.
571. Stock has been damaged as a result of the defective and non-code-compliant work.
572. The defective work has caused damage including rip and tear, water damage, and damage to other property.
573. The defective work caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
574. J & D Heating's defective workmanship was a substantial factor in the damage to buildings within the Paseo Community, which, under Florida law, renders J & D Heating liable for all of Stock's damages associated with J & D Heating's actions.
575. J & D Heating is liable directly to Stock for the damages caused by and resulting from the building code violations.
576. Stock seeks recovery from J & D Heating for all damages incurred by Stock in connection with J & D Heating's building code violations, including without limitation the following:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and

E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation

577. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiffs, Stock Construction, LLC, and Stock Development, LLC, respectfully request this Court to enter a judgment against Defendant, J & D Heating and Air Conditioning, Inc., awarding Plaintiffs their damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Plaintiffs any further relief the Court deems just and appropriate.

COUNT XXXVI – BREACH OF WARRANTY
(J & D Heating)

578. Stock Construction, LLC, sues J & D Heating for breach of warranty.

579. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.

580. Stock Construction, LLC, entered into Subcontractor Base Agreements with J & D Heating to perform work related to the installation of HVAC units in many of the buildings in the Paseo Community.

581. True and correct copies of the J & D Heating Subcontract Base Agreements are attached hereto as **Composite Exhibit 9.**

582. The Association has made allegations related to defective work, including, but not limited to, that related to the HVAC units in many of the buildings in the Paseo Community.

583. Stock Construction, LLC, has provided notice to J & D Heating of J & D Heating

- breaching its warranty obligations for the work performed by J & D Heating in the Paseo Community.
584. Stock Construction, LLC, has provided notice to J & D Heating of J & D Heating breaching its warranty obligations for the work performed by J & D Heating in the Paseo Community.
585. Stock Construction, LLC, has been damaged by J & D Heating's breach of warranty.
586. Stock Construction, LLC, has been damaged as a result of the defective work.
587. The defective work has caused damage including rip and tear, water damage, and damage to other property.
588. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
589. Stock Construction, LLC, seeks recovery from J & D Heating for all of Stock Construction, LLC's, damages, including without limitation:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation
590. Stock Construction, LLC, has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, J & D Heating and Air Conditioning, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XXXVII – BREACH OF CONTRACT
(GFA)

- 591. Stock Construction, LLC, sues GFA for breach of contract.
- 592. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
- 593. Stock Construction, LLC, entered into a Subcontractor Base Agreement with GFA to perform work related to testing services, inspection, and/or engineering services on buildings in the Paseo Community.
- 594. A true and correct copy of the Subcontractor Base Agreement with GFA is attached hereto as **Exhibit 10**.
- 595. The Association has made allegations related to major defects in the construction of buildings in the Paseo Community.
- 596. GFA performed significant and substantial work related to testing services, inspection, and/or engineering services on many buildings in the Paseo Community.
- 597. GFA had a duty to perform its work in a workmanlike manner and in accordance with its contract.
- 598. GFA breached its contract by performing work which contained defects and was not of workmanlike quality.

599. The construction of buildings in the Paseo Community contained workmanship defects.
600. The defective work has caused damage including rip and tear, water damage, and damage to other property.
601. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
602. Stock Construction, LLC, has been damaged as a result of the defective work.
603. Stock Construction, LLC, has suffered damage as a result of GFA's breach, including, but not limited to, the following:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
604. GFA's defective workmanship was a substantial factor in the damage to the buildings in the Paseo Community, which, under Florida law, renders GFA liable for all of Stock's damages associated with GFA's work.
605. Stock Construction, LLC, has been damaged by GFA's breach.
606. The damages include, without limitation, remediation damages, overpayment, *et cetera*.

607. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from GFA.
608. Stock Construction, LLC, has satisfied all conditions precedent to maintaining this action, or all such conditions precedent have been waived.
609. **WHEREFORE**, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, GFA International, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XXXVIII – CONTRACTUAL INDEMNIFICATION
(GFA)

610. Stock Construction, LLC, sues GFA for contractual indemnification based on claims, losses, damages, and expenses arising out of or resulting from GFA's work.
611. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
612. Stock Construction, LLC, entered into a Subcontractor Base Agreement with GFA to perform work related to testing services, inspection, and/or engineering services on buildings in the Paseo Community.
613. A true and correct copy of the Subcontractor Base Agreement with GFA is attached hereto as **Exhibit 10**.

614. The Association has made allegations related to major defects in the construction of buildings in the Paseo Community.
615. The defective work has caused damage including rip and tear, water damage, and damage to other property
616. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
617. Stock Construction, LLC, has been damaged as a result of the defective work.
618. GFA entered into a Subcontract with Stock Construction, LLC, and through the Subcontract, specifically provided contractual indemnity to Stock Construction, LLC, and the Owner.
619. Despite demand, notice and opportunity to indemnify Stock Construction, LLC, GFA has failed to do so.
620. Pursuant to GFA's Subcontract, GFA is obligated to pay Stock Construction, LLC's, attorneys' fees and costs.
621. Stock Construction, LLC, has suffered damage as a result of GFA's failure to indemnify Stock Construction, LLC, including, but not limited to, the following:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and

E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.

622. GFA has a specific contractual obligation to repair and remediate, compensate Stock Construction, LLC, and then seek recovery through subrogation against otherwise responsible parties.
623. GFA, by failing to take affirmative action to assist, indemnify, and hold Stock Construction, LLC, harmless, has caused and exacerbated damages suffered by Stock Construction, LLC.
624. In the event Stock Construction, LLC, obtains a judgment against any responsible party for claims, losses, damages, and expenses arising out of or resulting from GFA's work, and such judgment is uncollectable, the amount of such uncollected judgment attributable to GFA's work must be paid by GFA, as the need for the litigation in obtaining the judgment was proximately caused by GFA's failure to indemnify and hold harmless Stock Construction, LLC.
625. Stock Construction, LLC, is entitled to all its attorneys' fees and costs and interest on its attorneys' fees and costs incurred in litigating or dealing with claims with other subcontractors, product suppliers, vendors, the engineer, the Association, and any other necessary and proper defendants.
626. Stock Construction, LLC, has retained the law firm of Coleman, Yovanovich & Koester, P.A., to represent it in this matter, has incurred reasonable attorneys' fees and costs in prosecuting this matter, and is entitled to the recovery of the same from GFA.

627. Stock Construction, LLC, has satisfied all conditions precedent to maintain this claim, or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, GFA International, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees, and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

COUNT XXXIX – BUILDING CODE VIOLATIONS
(GFA)

628. Stock sues GFA for building code violations.
629. Stock reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.
630. Stock Construction, LLC, entered into a Subcontractor Base Agreement with GFA to perform work related to testing services, inspection, and/or engineering services on buildings in the Paseo Community.
631. A true and correct copy of the Subcontractor Base Agreement with GFA is attached hereto as **Exhibit 10.**
632. The Association has made allegations related to major defects in the construction of buildings in the Paseo Community.
633. Section 553.84, Florida Statutes, empowers “any person or party” who has been “damaged as a result of a violation of [] the Florida Building Code” to assert a cause of action “against the person or party who committed the violation.”
634. GFA performed work on and materially participated in testing services, inspection, and/or engineering services on many buildings in the Paseo Community.

635. GFA specifically failed to disclose the existence of the Florida Building Code violations and therefore participated and violated the Florida Building Code.
636. Stock has been damaged as a result of the defective and non-code-compliant work.
637. The defective work has caused damage including rip and tear, water damage, and damage to other property.
638. The defective work caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
639. GFA's defective workmanship was a substantial factor in the damage to buildings within the Paseo Community, which, under Florida law, renders GFA liable for all of Stock's damages associated with GFA's actions.
640. GFA is liable directly to Stock for the damages caused by and resulting from the building code violations.
641. Stock seeks recovery from GFA for all damages incurred by Stock in connection with Franco building code violations, including without limitation the following:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.

642. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiffs, Stock Construction, LLC, and Stock Development, LLC, respectfully request this Court to enter a judgment against Defendant, GFA International, Inc., awarding Plaintiffs their damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Plaintiffs any further relief the Court deems just and appropriate.

COUNT XL – BREACH OF WARRANTY
(GFA)

643. Stock Construction, LLC, sues GFA for breach of warranty.

644. Stock Construction, LLC, reasserts the allegations contained in paragraphs 1 through 22 above as though fully set forth herein.

645. Stock Construction, LLC, entered into a Subcontractor Base Agreement with GFA to perform work related to testing services, inspection, and/or engineering services on buildings in the Paseo Community.

646. A true and correct copy of the Subcontractor Base Agreement with GFA is attached hereto as **Exhibit 10**.

647. The Association has made allegations related to major defects in the construction of buildings in the Paseo Community.

648. Stock Construction, LLC, has provided notice to GFA of GFA breaching its warranty obligations for the work performed by GFA in the Paseo Community.

649. Stock Construction, LLC, has been damaged by GFA's breach of warranty.

650. Stock Construction, LLC, has been damaged as a result of the defective work.

651. The defective work has caused damage including rip and tear, water damage, and

damage to other property

652. The defective work has caused damage to other property, including, but not limited to, the interior, trim, other building materials, work of other trades, and personal property with buildings in the Paseo Community.
653. Stock Construction, LLC, seeks recovery from GFA for all of Stock Construction, LLC's, damages, including without limitation:
- A. Investigative repair and remediation costs;
 - B. Attorneys' fees and costs incurred in defending and prosecuting claims regarding this matter;
 - C. Any potential settlement payments and other compensation paid to claimants;
 - D. Litigation and consulting expert fees; and
 - E. Overhead and warranty costs other than expenses incurred as a result of this Defendant not honoring its indemnification obligation.
654. Stock has satisfied all conditions precedent to maintaining this action or all such conditions precedent have been waived.

WHEREFORE, Plaintiff, Stock Construction, LLC, respectfully requests this Court to enter a judgment against Defendant, GFA International, Inc., awarding Stock Construction, LLC, its damages, prejudgment interest, attorneys' fees and costs incurred in this matter, and awarding Stock Construction, LLC, any further relief the Court deems just and appropriate.

DEMAND FOR JURY TRIAL

Stock demands a jury trial on all issues so triable.

Date this 20th day of August 2018.

COLEMAN, YOVANOVICH & KOESTER, P.A.

By: /s/ Edmond E. Koester

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EXHIBIT 1

STOCK

2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: JMC coatings LLC
OWNERSHIP: ☐ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☒ LIMITED LIABILITY COMPANY
NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OF OWNERS: _____
SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: _____
BUSINESS ADDRESS: 28210 Old 41 Rd, #308
Bonita Springs, FL 34135
PHONE (239) 947-9905 FAX (239) 947-9906 EMAIL Painting - JMC@yahoo.com

THIS AGREEMENT ("Agreement") made and entered into this 10 day of January, 20 11, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and JMC Coatings, LLC ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: Ole, Paseo, & Players Cove
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: Waterproofing

Cost Code No: 07100

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance or any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and /or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
 - (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

- (e) injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
- (f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
- (g) breach of this Agreement; and/or
- (h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. SUBCONTRACTOR WARRANTIES: Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. COMPLETION: Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. WAIVER: TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. TAXES/CHARGES: Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal; Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. DEFECTIVE WORK: Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. BREACH: SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
- (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. **REMEDIES:** IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. **TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: _____

Print Name: _____

Title: _____

[Signature]
B.B. Felt
President

SUBCONTRACTOR:

JMC Contracting, LLC
(Subcontractor Entity Name)

By: _____

Print Name: _____

Title: _____

[Signature]
John Cipollin
President

COMPOSITE EXHIBIT 2



2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: JMC Painting & Waterproofing, Inc.
 OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OF OWNERS: John Cipolla
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: _____
 BUSINESS ADDRESS: 28210 Old 411 Rd. #308
 PHONE: (239) 947-9905 FAX: (239) 947-9906 EMAIL: painting-jmc@yahoo.com

THIS AGREEMENT ("Agreement") made and entered into this 31 day of January, 2011, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and JMC Painting & Waterproofing ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: o/e. Parsed, 3 Players Cove
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: WATER FLOODING

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "Invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred

the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties herein only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.



10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and /or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
- (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

(e) injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
(f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
(g) breach of this Agreement; and/or
(h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. SUBCONTRACTOR WARRANTIES: Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. **COMPLETION:** Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. **WAIVER:** TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. **TAXES/CHARGES:** Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal; Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. **DEFECTIVE WORK:** Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. **BREACH:** SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
 - (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. **REMEDIES:** IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUB CONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. **TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: [Signature]
Print Name: Bob [unclear]
Title: President

SUBCONTRACTOR:

JMC Painting & Waterproofing, Inc.
(Subcontractor Entity Name)

By: [Signature]
Print Name: John C. [unclear]
Title: Pres.



2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: JMC Painting & Waterproofing
 OWNERSHIP: CORPORATION PARTNERSHIP PROPRIETORSHIP LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS: _____
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: _____
 BUSINESS ADDRESS: 28210 Old Hill Rd #308
Bonita Springs FL 34138
 PHONE: (239) 947-9905 FAX: (239) 947-9906 EMAIL: Painting - JMC @ yahoo.com

THIS AGREEMENT ("Agreement") made and entered into this _____ day of _____, 20____, by and between Stock Construction, LLC, a Florida limited liability company ("Stock") and _____ ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Contract Documents" shall mean this Agreement, together with any Work Notification Forms, Pricing Addendums, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (b) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Pricing Addendum" shall have the meaning specified in Paragraph 4.
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (h) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor.
 - (i) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or material men for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and material men does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or material men. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: Waterproofing

Cost Code No: _____

4. Attached hereto as a part of this Agreement, Subcontractor has submitted a signed and dated Pricing Addendum, receipt of which is acknowledged thereon by Stock, which specific Pricing Addendum is incorporated herein by reference. This Pricing Addendum may be modified by Subcontractor only by a subsequent written and dated amendment to the Pricing Addendum, as approved by and receipt of

which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Pricing Addendum shall be attached hereto and incorporated herein by reference. The Pricing Addendum in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

5. In conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.
6. Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

7. Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall be responsible for the receipt, delivery, unloading, storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work. Subcontractor shall supervise and direct all Work to the best of its ability and give it the attention necessary for such proper supervision and direction.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy. Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Pricing Addendums include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the project been conducted in a reasonable manner.

8. Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.
9. Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance

for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

10. Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor agrees not to employ for work on the project any person unfit or without sufficient skill to perform the job for which Subcontractor was retained. Subcontractor agrees that Company will not provide any training for the Subcontractor or its employees, agents, or subcontractors.
11. Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Company is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.
12. Subcontractor agrees to comply with the Safety & Health Standards attached hereto and incorporated herein by reference and the requirements of the Occupational Safety and Health Act of 1970, as amended, and all other applicable federal, state and local health, safety, environmental and hazardous work laws, including without limitation, the prompt submission of material safety data sheets when required, and Subcontractor hereby releases Stock of and from any and all liability of whatsoever nature because of any injury or injuries to Subcontractor, its employees, agents or subcontractors or any employees or agents of such subcontractors, or any other people doing work under an oral or written order or contract with Subcontractor.
13. Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, agents and subcontractors and any and all employees and agents of Subcontractor's subcontractors, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
14. To the fullest extent permitted by law, Subcontractor shall indemnify and hold harmless Stock (including its affiliates, parent and subsidiaries) and all of their officers, members, partners, directors, agents and employees (collectively the "Indemnified Parties") of, from and against any and all claims, liabilities, damages, costs and expenses, including, without limitation, contractual liabilities, damages, losses and expenses, including but not limited to, attorney's fees at trial and on appeal, arising out of, resulting from or related to the performance of the Work, or the performance of any construction or services required by the Contract Documents or performed by any subcontractors, laborers, materialman or agents, or the construction site, or the project, provided that any such claim, liability, damage loss or expense (1) is attributable to bodily injury, personal injury, sickness, disease or death, or to violations or alleged violations of the Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, or to violations or alleged violations of similar state laws and regulations, or to injury to or destruction of tangible property including the loss of use resulting therefrom, or to any defective work of Subcontractor, or to any breach by Subcontractor of this Agreement, and (2) caused in whole or in part by any act, failure to act, or omission of Subcontractor, any subcontractor of Subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder and regardless of whether or not it is caused in part by the negligence of a party indemnified hereunder, provided however, such party indemnified shall not be indemnified for the sole negligence or willful misconduct of such indemnified party. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this Paragraph. In any and all claims against any party indemnified hereunder by any employee of Subcontractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under this Paragraph shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefit acts. In addition, in no event shall Subcontractor's obligations hereunder be limited to the extent of any insurance available to or provided by Subcontractor. At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreement, a sum of money which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph. Notwithstanding the foregoing, the indemnification obligations described herein shall be limited to a maximum of \$5,000,000.00, or the amount of the contract sum, whichever is greater. The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and, specifically to comply with Florida Statutes, Section 725.06 and is to be interpreted in such a way as to be fully enforceable.
15. Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good

quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. CONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY CONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. CONTRACTOR AGREES TO MAKE, AT CONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF CONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FOURTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 15 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

16. Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
17. Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
18. Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Pricing Addendum, payment schedule and/or time for performance.
19. Subcontractor shall procure and maintain insurance in form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. Stock shall be named as an additional insured, loss payee and/or certificate holder on each of the policies as outlined on Exhibit "A". Prior to commencing any work under this Agreement, Subcontractor shall submit to Stock copies of policies or certificates that confirm insurance coverage. No policy will permit cancellation without 15 days prior written notice of cancellation to Stock and the certificates of insurance shall reflect such notice obligation. Failure of Subcontractor to maintain complete insurance may be deemed a material breach allowing Stock to terminate this Agreement, or to provide insurance at Subcontractor's sole expense, in neither case, however, shall Subcontractor's liability be lessened. Subcontractor acknowledges they shall not subcontract any part of this Agreement without supplying Stock proof that all sub agents insurance coverage complies with Exhibit A of this contract.
20. Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Pricing Addendum within twenty (20) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or

any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.

21. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS. MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
22. Subcontractor shall pay all taxes required by law in connection with the Work under this Agreement or any Work Notification Form, including sales, use and similar taxes. CONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF CONTRACTOR.
23. Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
24. CONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
 - (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or
 - (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
 - (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
 - (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
 - (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
 - (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
 - (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.
25. IF CONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:
 - (A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH CONTRACTOR OR OTHER CONTRACTOR BASE AGREEMENT BETWEEN CONTRACTOR

AND STOCK AND DISMISS CONTRACTOR FROM THE JOB SITE BY PROVIDING CONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY CONTRACTOR'S DEFECTIVE WORK. TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY CONTRACTOR, PERFORM CONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE CONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM CONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO CONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO CONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM CONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

26. This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with written notice of such termination, and such termination shall be effective as of the time and date stated in such written notice. In the event of termination of the Agreement pursuant to this section without cause, Stock shall pay Subcontractor within fifteen (15) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this section with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages.
27. This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
28. Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.
29. All notices required to be given to Stock or Subcontractor shall be sent to the address shown on the front of this Agreement or to such other address as the parties may provide in writing.
30. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration

Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.

31. This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

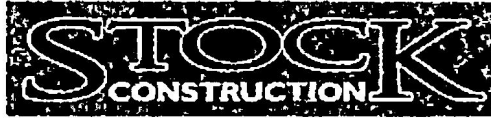
By: [Signature]
Print Name: BB Inc
Title: President

SUBCONTRACTOR:

JMC Painting & Waterproofing Inc
(Subcontractor Entity Name)

By: [Signature]
Print Name: John Cipolla
Title: Pres.

EXHIBIT 3



2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: MARIO'S PAINTING OF SOUTH FLORIDA, INC.
 OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OF OWNERS:
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: MARIO PENA
 BUSINESS ADDRESS: 2055 BEACON MANOR, FORT MYERS, FL 33907
 PHONE 239-633-0483 FAX 239-931-0802 EMAIL MARIO'S PAINTING@RELSOUTH.NET

THIS AGREEMENT ("Agreement") made and entered into this 23 day of SEPTEMBER, 2013, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and MARIO'S PAINTING OF SOUTH FLORIDA, INC. ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: LANTANA
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: PAINTING

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form. This Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid. Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and/or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
- (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

(e)injuries of/to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
(f)defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
(g)breach of this Agreement; and/or
(h)acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a)A maximum of \$5,000,000.00; or
- (b)the amount of this Agreement sum; or
- (c)the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. SUBCONTRACTOR WARRANTIES: Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor. Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. COMPLETION: Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. WAIVER: TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. TAXES/CHARGES: Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal; Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. DEFECTIVE WORK: Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. BREACH: SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
 - (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. **REMEDIES:** IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. **TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: 

Print Name: Bob Long

Title: President

SUBCONTRACTOR:

Mario's Painting of S. Florida, Inc.
(Subcontractor Entity Name)

By: 

Print Name: Mario Pera

Title: President

COMPOSITE

EXHIBIT 4



2847 Professional Circle • Suite 1201 • Naples, FL 34110

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: Prime Drywall & Painting, Inc.
 OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS: [REDACTED]
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO.: [REDACTED]
 BUSINESS ADDRESS: 4530 N. Hiatus Road, Ste 104
Sunrise, FL 33351
 PHONE: (954) 746-7407 FAX: (954) 746-7409 EMAIL: primepaint@comcast.net

THIS AGREEMENT ("Agreement") made and entered into this 6th day of August, 2014, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and Prime Drywall & Painting, Inc. ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor, including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors, laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

[Handwritten signature/initials]

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: Exterior & Interior Painting

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and of this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property in the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

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the performance of Subcontractor's work are not being promptly paid, Stock they, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.



Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting, storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.

8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

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10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA), has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and/or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Parties") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses; any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
- (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

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(e) injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
(f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
(g) breach of this Agreement; and/or
(h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) a maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Parties for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. SUBCONTRACTOR WARRANTIES: Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY

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SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carrier duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

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or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products-completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work;
- (d) Limitations or Exclusions for Multi-Unit Dwellings;
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with this Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificate of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.



Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. **COMPLETION:** Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.

20. **WAIVER:** TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.

21. **TAXES/CHARGES:** Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**

22. **DEFECTIVE WORK:** Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.

23. **BREACH:** SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:

- (a) Subcontractor's Work is defective and not remedied as provided herein; or
- (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
- (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
- (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

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- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. REMEDIES: IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. TERMINATION: This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitation, any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project, excluding any payment for incurred profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontract and purchase orders.

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26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer; (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

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and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: 

Print Name: Bob Taylor

Title: President

SUBCONTRACTOR:

Prime Drivall & Rapping, Inc.

(Subcontractor Entry Name)

By: 

Print Name: Joseph Anseroff

Title: President



2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: PRIME Drywall & Painting Inc.
 OWNERSHIP: CORPORATION PARTNERSHIP PROPRIETORSHIP LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS: Joseph Anisacoff
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
 BUSINESS ADDRESS: 4530 N. Hiatus Road Suite 104
SUNRISE, Florida 33351
 PHONE 954-746-7409 FAX 954-746-7409 EMAIL Primepaint@bellsouth.com

THIS AGREEMENT ("Agreement") made and entered into this 21st day of March, 2009, by and between Stock Construction, LLC, a Florida limited liability company ("Stock") and PRIME Drywall & Painting Inc. ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Contract Documents" shall mean this Agreement, together with any Work Notification Forms, Pricing Addendums, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (b) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Pricing Addendum" shall have the meaning specified in Paragraph 4.
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (h) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor.
 - (i) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or material men for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and material men does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or material men. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.
3. The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: Interior and exterior painting

Cost Code No: _____

4. Attached hereto as a part of this Agreement, Subcontractor has submitted a signed and dated Pricing Addendum, receipt of which is acknowledged thereon by Stock, which specific Pricing Addendum is incorporated herein by reference. This Pricing Addendum may be modified by Subcontractor only by a subsequent written and dated amendment to the Pricing Addendum, as approved by and receipt of

which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Pricing Addendum shall be attached hereto and incorporated herein by reference. The Pricing Addendum in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

5. In conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.
6. Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

7. Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall be responsible for the receipt, delivery, unloading, storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work. Subcontractor shall supervise and direct all Work to the best of its ability and give it the attention necessary for such proper supervision and direction.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy. Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Pricing Addendums include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the project been conducted in a reasonable manner.

8. Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/ or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.
9. Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance

any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.

21. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
22. Subcontractor shall pay all taxes required by law in connection with the Work under this Agreement or any Work Notification Form, including sales, use and similar taxes. CONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF CONTRACTOR.
23. Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
24. CONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
 - (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or
 - (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or
 - (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
 - (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
 - (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
 - (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
 - (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.
25. IF CONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:
 - (A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH CONTRACTOR OR OTHER CONTRACTOR BASE AGREEMENT BETWEEN CONTRACTOR

AND STOCK AND DISMISS CONTRACTOR FROM THE JOB SITE BY PROVIDING CONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION:

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY CONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY CONTRACTOR, PERFORM CONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE CONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM CONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO CONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO CONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM CONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

26. This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with written notice of such termination, and such termination shall be effective as of the time and date stated in such written notice. In the event of termination of the Agreement pursuant to this section without cause, Stock shall pay Subcontractor within fifteen (15) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this section with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages.
27. This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
28. Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.
29. All notices required to be given to Stock or Subcontractor shall be sent to the address shown on the front of this Agreement or to such other address as the parties may provide in writing.
30. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration

Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.

31. This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida Limited Liability Company

By: [Signature]
Print Name: Bob Jones
Title: President

SUBCONTRACTOR:

Prime Drywall & Paints Inc.
(Subcontractor Entity Name)

By: [Signature]
Print Name: Otto L. Herrero
Title: Sales

COMPOSITE

EXHIBIT 5



2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: STATEWIDE PAINTING - PRESSURE CLEANING
 OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS: _____
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: _____
 BUSINESS ADDRESS: 3265 34TH AVE SE
NAPLES FLORIDA 34117
 PHONE 239-340-2356 FAX 239-352-3799 EMAIL BHELFF@STATEWIDE-PAINTING.COM
OR BHELFF2@GMAIL.COM

THIS AGREEMENT ("Agreement") made and entered into this 8TH day of APRIL, 2013, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and STATEWIDE PAINTING ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: PAINTING

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid. Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting, storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers; and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and/or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
- (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

(e) injuries of/to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
(f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
(g) breach of this Agreement; and/or
(h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. **SUBCONTRACTOR WARRANTIES:** Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. **SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY**

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. COMPLETION: Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. WAIVER: TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. TAXES/CHARGES: Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. DEFECTIVE WORK: Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. BREACH: SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
- (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. **REMEDIES:** IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. **TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) send by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: 

Print Name: BOB EMY

Title: PRESIDENT

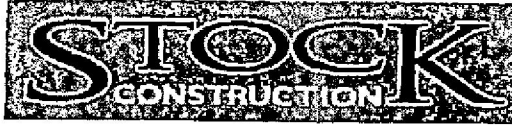
SUBCONTRACTOR:

STATEWIDE PAINTING
(Subcontractor Entity Name)

By: 

Print Name: BARRY HELFF

Title: PRESIDENT



4501 Tamiami Trail North ♦ Suite 300 ♦ Naples, FL 34103

Contractor Base Agreement

NAME OF CONTRACTOR: Statewide Painting & Pressure Cleaning Inc.
 OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OF OWNERS: Barry HELFF, Michael HELFF, Rand, HELFF
 CONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
 BUSINESS ADDRESS: P.O. BOX 1597 Bonita Springs, FL 34135
 PHONE (239) 992-9011 FAX (239) 992-1007 EMAIL Statewidepainting@earthlink.net
 INSURANCE COVERAGE:
 WORKERS' COMP: Bridgfield
 LIABILITY: Ohio Casualty
 AUTOMOBILE: Ohio Casualty

THIS AGREEMENT ("Agreement") made and entered into this 10 day of NOVEMBER, 2006, by and between Stock Construction, LLC, a Florida limited liability company ("Stock") and STATEWIDE PAINTING ("Contractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Contract Documents" shall mean this Agreement, together with any Work Notification Forms, Pricing Addendums, and Plans and Specifications issued or utilized in connection with Work performed by Contractor.
 - (b) "Contractor" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Pricing Addendum" shall have the meaning specified in Paragraph 4.
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (h) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Contractor.
 - (i) "Work Notification Form" shall mean a written order issued by Stock to Contractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. The purpose of this Agreement is to fix the obligations of Stock and Contractor as to the performance by Contractor of certain described Work. Contractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Contractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Contractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Contractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Contractor.
3. The Work to be performed by Contractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: _____

Cost Code No: _____

4. Attached hereto as a part of this Agreement, Contractor has submitted a signed and dated Pricing Addendum, receipt of which is acknowledged thereon by Stock, which specific Pricing Addendum is incorporated herein by reference. This Pricing Addendum may be modified by Contractor only by a subsequent written and dated amendment to the Pricing Addendum, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Pricing Addendum shall be attached hereto and incorporated herein by reference. The Pricing Addendum in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Contractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Contractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.
5. In conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Contractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Contractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Contractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Contractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Contractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Contractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Contractor first receiving all approvals required from Stock for substitutions. Contractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Contractor has obtained approval thereof.
6. Notwithstanding anything in this Agreement to the contrary, Contractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Contractor delivering to Stock a full and complete release of all liens and claims of Contractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Contractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Contractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.
- Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Contractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Contractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If contractor fails to make any such refund within fifteen (15) days of notice to Contractor from Stock, Contractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Contractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock.
- Contractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Contractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Contractor's work, Contractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Contractor continues to receive payments from Stock, Contractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Contractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Contractor incurred in the performance of Contractor's work are not being promptly paid, Stock may, upon giving written notice to Contractor, take any steps deemed necessary to ensure that any payments from Stock to Contractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Contractor to supply satisfactory evidence that Contractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Contractor has an obligation for payment. The failure of Contractor to provide either of these means of security shall

entitle Stock to retain out of any payment due or become due to Contractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Contractor has an obligation until the claim or lien has been satisfied by Contractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Contractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

7. Contractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Contractor shall be responsible for the receipt, delivery, unloading, storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Contractor is to furnish, install, provide, or have provided to it under this Agreement. Contractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Contractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Contractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Contractor's Work. Contractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work. Contractor shall supervise and direct all Work to the best of its ability and give it the attention necessary for such proper supervision and direction.

Contractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Contractor warrants that all labor done and any materials furnished by Contractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Contractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Contractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy. Contractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Pricing Addendums include payments for all Work which may be performed by Contractor to overcome any unanticipated, underground, or concealed conditions. Contractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Contractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the project been conducted in a reasonable manner.

8. Contractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Contractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire project. Contractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Contractor, Contractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Contractor hereunder shall be furnished in sufficient time to enable Contractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Contractor falls behind in furnishing the necessary labor and/ or materials to meet the schedule established by Stock, then Contractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Contractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Contractor. Time is of the essence in this Agreement.
9. Contractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Contractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Contractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only

if contractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Contractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Contractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

10. Contractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Contractor agrees not to employ for work on the project any person unfit or without sufficient skill to perform the job for which Contractor was retained. Contractor agrees that Company will not provide any training for the Contractor or its employees, agents, or subcontractors.
11. Contractor shall, at Contractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Contractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Contractor agrees that Company is not responsible for providing any tools or benefits for the Contractor or its employees, agents, or subcontractors.
12. Contractor agrees to comply with the Safety & Health Standards attached hereto and incorporated herein by reference and the requirements of the Occupational Safety and Health Act of 1970, as amended, and all other applicable federal, state and local health, safety, environmental and hazardous work laws, including without limitation, the prompt submission of material safety data sheets when required, and Contractor hereby releases Stock of and from any and all liability of whatsoever nature because of any injury or injuries to Contractor, its employees, agents or subcontractors or any employees or agents of such subcontractors, or any other people doing work under an oral or written order or contract with Contractor.
13. Contractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Contractor's employees, agents and subcontractors and any and all employees and agents of Contractor's subcontractors, and any and all other persons doing work under an oral or written order or contract with Contractor.
14. INDEMNITY. To the fullest extent permitted by law, Contractor shall indemnify and hold harmless Stock and its officers, members, partners, directors, agents and employees, of, from and against any and all claims, liabilities, damages, costs and expenses, including, without limitation, contractual liabilities, damages, losses and expenses, including but not limited to, attorney's fees, arising out of, resulting from or related to the performance of the Work, or the performance of any construction or services required by the Contract Documents or performed by any subcontractors, laborers, materialman or agents, or the construction site, or the project, provided that any such claim, liability, damage loss or expense (1) is attributable to bodily injury, personal injury, sickness, disease or death, or to violations or alleged violations of the Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, or to violations or alleged violations of similar state laws and regulations, or to injury to or destruction of tangible property including the loss of use resulting therefrom, or to any defective work of Contractor, or to any breach by Contractor of this Agreement, and (2) caused in whole or in part by any act, failure to act, or omission of Contractor, any subcontractor of Contractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder and regardless of whether or not it is caused in part by the negligence of a party indemnified hereunder, provided however, such party indemnified shall not be indemnified for the sole negligence or willful misconduct of such indemnified party. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this Paragraph. In any and all claims against any party indemnified hereunder by any employee of Contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under this Paragraph shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefit acts. In addition, in no event shall Contractor's obligations hereunder be limited to the extent of any insurance available to or provided by Contractor. At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Contractor hereunder or under any other contract or agreement, a sum of money which, in the sole judgment of Stock, shall be sufficient to secure the performance of Contractor's obligations under this Paragraph.
15. Contractor represents and warrants to Stock that all equipment and materials provided by Contractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Contractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Contractor specifically agrees that it is responsible for the protection of the Work until final completion and that Contractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final

completion. Inspection by Stock shall not relieve Contractor of its obligations herein. CONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY CONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. CONTRACTOR AGREES TO MAKE, AT CONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF CONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FOURTY- EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Contractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 15 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

16. Contractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Contractor agrees that upon terminating its Work at the site, Contractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Contractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
17. Contractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Contractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Contractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Contractor or acceptance of any portion of Contractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Contractor.
18. Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Pricing Addendum, payment schedule and/or time for performance.
19. Contractor shall obtain and maintain during the life of this Agreement the following insurance coverages and in the amounts specified in Stock's insurance manual:
 - (a) Worker's Compensation insurance as required by state law to cover all employees in all Work performed under this Agreement, and all subcontractors, laborers and agents of Contractor.
 - (b) Comprehensive General Liability insurance on an occurrence basis only, including coverage for completed operations and assumed liability. This insurance shall, among other things, insure the hold harmless and indemnification agreements of Contractor running to Stock pursuant to this or any other agreement,
 - (c) Auto Liability insurance on an occurrence basis only, including coverage of all owned, non owned and hired vehicles:
 - (d) Any other insurance that might be reasonably requested by Stock.

Contractor shall add Stock as an additional insured to its Comprehensive General Liability and Auto Liability insurance policies. Prior to commencing any work under this Agreement, Contractor shall submit to Stock copies of policies or certificates that confirm these insurance coverages.

No policy will permit cancellation without 15 days prior written notice of cancellation to Stock and the certificates of insurance shall reflect such notice obligation. Failure of Contractor to maintain complete insurance may be deemed a material breach allowing Stock to terminate this Agreement, or to provide insurance at Contractor's sole expense, in neither case, however, shall Contractor's liability be lessened. In addition,

Contractor shall not sublet or subcontract any part of this Agreement without previously obtaining similar insurance from its subcontractors and suppliers.

20. Immediately upon the performance of any part of the Work, as between Contractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Contractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Contractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Contractor is not in breach of this Agreement, and provided that Contractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Contractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Pricing Addendum within twenty (20) days following Stock's receipt of a request for payment from Contractor. Contractor hereby agrees that if Contractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Contractor and Contractor shall have no claim thereto.
21. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
22. Contractor shall pay all taxes required by law in connection with the Work under this Agreement or any Work Notification Form, including sales, use and similar taxes. CONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF CONTRACTOR.
23. Should Stock notify Contractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Contractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If contractor refuses to perform any corrective work, Contractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Contractor hereunder. Contractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
24. CONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
 - (a) Contractor's Work is defective and not remedied as provided herein; or
 - (b) Contractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Contractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Contractor is responsible; or
 - (e) Contractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Contractor, and Contractor has not posted a discharge bond within this twenty four (24) hour period; or,
 - (f) Contractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Contractor Agreement with Stock; or
 - (g) Stock is fined by any governmental agency on account of or arising out of Contractor's (or Contractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
 - (h) Contractor becomes insolvent or any petition for bankruptcy is filed with respect to Contractor; or

(i) Contractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;

(j) Contractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

IF CONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH CONTRACTOR OR OTHER CONTRACTOR BASE AGREEMENT BETWEEN CONTRACTOR AND STOCK AND DISMISS CONTRACTOR FROM THE JOB SITE BY PROVIDING CONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY CONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY CONTRACTOR, PERFORM CONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE CONTRACTOR'S BREACH AT CONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM CONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO CONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO CONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM CONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE CONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD CONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM CONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. This Agreement may also be terminated and Contractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Contractor with written notice of such termination, and such termination shall be effective as of the time and date stated in such written notice. In the event of termination of the Agreement pursuant to this section without cause, Stock shall pay Contractor within fifteen (15) days after the effective date of such termination, all sums due and owing Contractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Contractor acknowledges and agrees that if Contractor is terminated pursuant to this section with cause, Contractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Contractor's sole remedy and in no event shall Contractor have any claim for consequential damages.
26. This Agreement, together with the Contract Documents, constitutes the entire agreement between Contractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Contractor's warranties under any prior or contemporaneous Contractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Contractor and Stock. The relationship of Contractor is that of an independent contractor.
27. Contractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.
28. All notices required to be given to Stock or Contractor shall be sent to the address shown on the front of this Agreement or to such other address as the parties may provide in writing.
29. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of

this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.

30. **ARBITRATION.** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Contractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Contractor, Contractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Contractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Contractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

Stock Construction, LLC, a Florida limited
liability company

By: [Signature]
Print Name: Chris Jones
Its: President

CONTRACTOR:

By: [Signature]
Print Name: Brian Huff
Its: President

EXHIBIT 6



2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: Sutton Contracting Solutions Inc.
 OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS: Stuart Sutton
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
 BUSINESS ADDRESS: 2808 Broadway Center Blvd. Brandon, FL 33510
 PHONE 813-626-3700 FAX 813-626-3744 EMAIL ssutton@suttoncontracting.com

THIS AGREEMENT ("Agreement") made and entered into this 27 day of December, 2013, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and Sutton Contracting Solutions, Inc. ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: Weather barrier

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid. Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and /or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
- (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

(e)injuries of/to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
(f)defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
(g)breach of this Agreement; and/or
(h)acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a)A maximum of \$5,000,000.00; or
- (b)the amount of this Agreement sum; or
- (c)the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. SUBCONTRACTOR WARRANTIES: Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. RUBBISH and DEBRIS: Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. ASSIGNMENT: Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. CHANGES: Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. INSURANCE REQUIREMENTS: Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. COMPLETION: Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. WAIVER: TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. TAXES/CHARGES: Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. DEFECTIVE WORK: Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. BREACH: SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
- (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. **REMEDIES:** IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. **TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

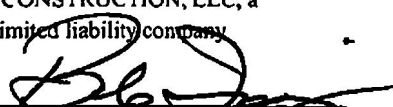
26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) send by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: 
Print Name: W. B. Jones
Title: VP

SUBCONTRACTOR:

Sutton Contracting Solutions, Inc
(Subcontractor Entity Name)

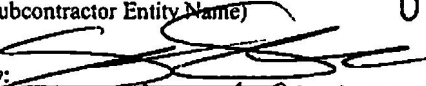
By: 
Print Name: Stuart Sutton
Title: President

EXHIBIT 7



2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: SW USA Franco, LLC
 OWNERSHIP: ☐ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☒ LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OF OWNERS: [REDACTED]
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
 BUSINESS ADDRESS: 640 3rd ST SW
Naples, FL 34117
 PHONE 239-200-7682 FAX N/A EMAIL SWUSAfranco@outlook.com

THIS AGREEMENT ("Agreement") made and entered into this 16 day of January, 20 15, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and SW USA Franco, LLC ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: Painting

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance or any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid. Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service. Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines, No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and /or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense. Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
 - (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

- (e) injuries of/to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
- (f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
- (g) breach of this Agreement; and/or
- (h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06; including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. SUBCONTRACTOR WARRANTIES: Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations; including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor. Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. COMPLETION: Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. WAIVER: TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. TAXES/CHARGES: Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.
22. DEFECTIVE WORK: Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. BREACH: SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
 - (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. **REMEDIES:** IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. **TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: [Signature]
Print Name: Bob King
Title: President

SUBCONTRACTOR:

SW USA Franco, LLC
(Subcontractor Entity Name)

By: [Signature]
Print Name: Bob Franco
Title: MC Run

COMPOSITE EXHIBIT 8

STOCK

2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: United Subcontractors Inc DBA NCK/West Coast Insulation
OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OF OWNERS: Jason Perkins - Branch manager
SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
BUSINESS ADDRESS: 3218 Marion St, Ft Myers, FL 33916
PHONE 239-334-2338 FAX 239-334-9241 EMAIL jperkins@unitedsub.com

THIS AGREEMENT ("Agreement") made and entered into this 12th day of January, 20 11, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and NCK/West Coast Insulation ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: Insulation, Closet Shelving, Mirrors and Shower Enclosures

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

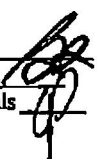
Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.



Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

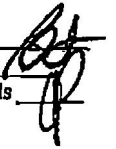
Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and /or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
- (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;



(e)injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
(f)defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
(g)breach of this Agreement; and/or
(h)acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or In Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a)A maximum of \$5,000,000.00; or
- (b)the amount of this Agreement sum; or
- (c)the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. **SUBCONTRACTOR WARRANTIES:** Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. **SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY**

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. RUBBISH and DEBRIS: Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. ASSIGNMENT: Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. CHANGES: Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. INSURANCE REQUIREMENTS: Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.



Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. COMPLETION: Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. WAIVER: TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. TAXES/CHARGES: Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal; Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. DEFECTIVE WORK: Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. BREACH: SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
 - (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. REMEDIES: IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. TERMINATION: This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.



26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole



and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: _____

Print Name: _____

Title: _____

Bob Smith
Bob Smith
President

SUBCONTRACTOR:

NCR/West Coast Insulation
(Subcontractor Entity Name)

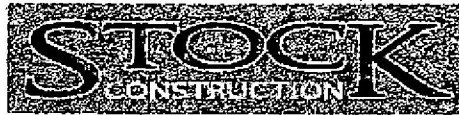
By: _____

Print Name: _____

Title: _____

Jason Perkins
Jason Perkins
Branch Manager

JP



2647 Professional Circle • Suite 1215 • Naples, FL 34119

Contractor Base Agreement

NAME OF CONTRACTOR: West Coast Insulation
OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS: _____
CONTRACTOR'S EIN OR SOCIAL SECURITY NO: _____
BUSINESS ADDRESS: 3218 Marion Street
Fort Myers FL 33916
PHONE 239-334-2338 FAX 239-334-9241 EMAIL Khenning@unitedsub.com
INSURANCE COVERAGE:
WORKERS' COMP: _____
LIABILITY: _____
AUTOMOBILE: _____

THIS AGREEMENT ("Agreement") made and entered into this 28 day of March, 2008, by and between Stock Construction, LLC, a Florida limited liability company ("Stock") and West Coast Insulation ("Contractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Contract Documents" shall mean this Agreement, together with any Work Notification Forms, Pricing Addendums, and Plans and Specifications issued or utilized in connection with Work performed by Contractor.
 - (b) "Contractor" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Pricing Addendum" shall have the meaning specified in Paragraph 4.
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (h) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Contractor.
 - (i) "Work Notification Form" shall mean a written order issued by Stock to Contractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. The purpose of this Agreement is to fix the obligations of Stock and Contractor as to the performance by Contractor of certain described Work. Contractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Contractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Contractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Contractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Contractor.
3. The Work to be performed by Contractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: Insulation, Closet Shelving, Mirrors, Shower Enclosures

Cost Code No: _____

4. Attached hereto as a part of this Agreement, Contractor has submitted a signed and dated Pricing Addendum, receipt of which is acknowledged thereon by Stock, which specific Pricing Addendum is incorporated herein by reference. This Pricing Addendum may be modified by Contractor only by a subsequent written and dated amendment to the Pricing Addendum, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Pricing Addendum shall be attached hereto and incorporated herein by reference. The Pricing Addendum in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Contractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Contractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.
5. In conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Contractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Contractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Contractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Contractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Contractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Contractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Contractor first receiving all approvals required from Stock for substitutions. Contractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Contractor has obtained approval thereof.
6. Notwithstanding anything in this Agreement to the contrary, Contractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Contractor delivering to Stock a full and complete release of all liens and claims of Contractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Contractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Contractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.
- Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Contractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Contractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If contractor fails to make any such refund within fifteen (15) days of notice to Contractor from Stock, Contractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Contractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Contractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Contractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Contractor's work, Contractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Contractor continues to receive payments from Stock, Contractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Contractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Contractor incurred in the performance of Contractor's work are not being promptly paid, Stock may, upon giving written notice to Contractor, take any steps deemed necessary to ensure that any payments from Stock to Contractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Contractor to supply satisfactory evidence that Contractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser,

and those to whom Contractor has an obligation for payment. The failure of Contractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Contractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Contractor has an obligation until the claim or lien has been satisfied by Contractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Contractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

7. Contractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Contractor shall be responsible for the receipt, delivery, unloading, storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Contractor is to furnish, install, provide, or have provided to it under this Agreement. Contractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Contractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Contractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Contractor's Work. Contractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work. Contractor shall supervise and direct all Work to the best of its ability and give it the attention necessary for such proper supervision and direction.

Contractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Contractor warrants that all labor done and any materials furnished by Contractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Contractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Contractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy. Contractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Pricing Addendums include payments for all Work which may be performed by Contractor to overcome any unanticipated, underground, or concealed conditions. Contractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Contractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the project been conducted in a reasonable manner.

8. Contractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Contractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire project. Contractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Contractor, Contractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Contractor hereunder shall be furnished in sufficient time to enable Contractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Contractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Contractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Contractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Contractor. Time is of the essence in this Agreement.
9. Contractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Contractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause

beyond the control of Contractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if contractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Contractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Contractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

10. Contractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Contractor agrees not to employ for work on the project any person unfit or without sufficient skill to perform the job for which Contractor was retained. Contractor agrees that Company will not provide any training for the Contractor or its employees, agents, or subcontractors.
11. Contractor shall, at Contractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Contractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Contractor agrees that Company is not responsible for providing any tools or benefits for the Contractor or its employees, agents, or subcontractors.
12. Contractor agrees to comply with the Safety & Health Standards attached hereto and incorporated herein by reference and the requirements of the Occupational Safety and Health Act of 1970, as amended, and all other applicable federal, state and local health, safety, environmental and hazardous work laws, including without limitation, the prompt submission of material safety data sheets when required, and Contractor hereby releases Stock of and from any and all liability of whatsoever nature because of any injury or injuries to Contractor, its employees, agents or subcontractors or any employees or agents of such subcontractors, or any other people doing work under an oral or written order or contract with Contractor.
13. Contractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Contractor's employees, agents and subcontractors and any and all employees and agents of Contractor's subcontractors, and any and all other persons doing work under an oral or written order or contract with Contractor.
14. **INDEMNITY.** To the fullest extent permitted by law, Contractor shall indemnify and hold harmless Stock and its officers, members, partners, directors, agents and employees, of, from and against any and all claims, liabilities, damages, costs and expenses, including, without limitation, contractual liabilities, damages, losses and expenses, including but not limited to, attorney's fees, arising out of, resulting from or related to the performance of the Work, or the performance of any construction or services required by the Contract Documents or performed by any subcontractors, laborers, materialman or agents, or the construction site, or the project, provided that any such claim, liability, damage loss or expense (1) is attributable to bodily injury, personal injury, sickness, disease or death, or to violations or alleged violations of the Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, or to violations or alleged violations of similar state laws and regulations, or to injury to or destruction of tangible property including the loss of use resulting therefrom, or to any defective work of Contractor, or to any breach by Contractor of this Agreement, and (2) caused in whole or in part by any act, failure to act, or omission of Contractor, any subcontractor of Contractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder and regardless of whether or not it is caused in part by the negligence of a party indemnified hereunder, provided however, such party indemnified shall not be indemnified for the sole negligence or willful misconduct of such indemnified party. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this Paragraph. In any and all claims against any party indemnified hereunder by any employee of Contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under this Paragraph shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefit acts. In addition, in no event shall Contractor's obligations hereunder be limited to the extent of any insurance available to or provided by Contractor. At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Contractor hereunder or under any other contract or agreement, a sum of money which, in the sole judgment of Stock, shall be sufficient to secure the performance of Contractor's obligations under this Paragraph.
15. Contractor represents and warrants to Stock that all equipment and materials provided by Contractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Contractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Contractor specifically agrees that it is responsible for the protection of the Work until final

completion and that Contractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Contractor of its obligations herein. CONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY CONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. CONTRACTOR AGREES TO MAKE, AT CONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF CONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FOURTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Contractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 15 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

16. Contractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Contractor agrees that upon terminating its Work at the site, Contractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Contractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
17. Contractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Contractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Contractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Contractor or acceptance of any portion of Contractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Contractor.
18. Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Pricing Addendum, payment schedule and/or time for performance.
19. Contractor shall obtain and maintain during the life of this Agreement the following insurance coverages and in the amounts specified in Stock's insurance manual:
 - (a) Worker's Compensation insurance as required by state law to cover all employees in all Work performed under this Agreement, and all subcontractors, laborers and agents of Contractor.
 - (b) Comprehensive General Liability insurance on an occurrence basis only, including coverage for completed operations and assumed liability. This insurance shall, among other things, insure the hold harmless and indemnification agreements of Contractor running to Stock pursuant to this or any other agreement,
 - (c) Auto Liability insurance on an occurrence basis only, including coverage of all owned, non owned and hired vehicles:
 - (d) Any other insurance that might be reasonably requested by Stock.

Contractor shall add Stock as an additional insured to its Comprehensive General Liability and Auto Liability insurance policies. Prior to commencing any work under this Agreement, Contractor shall submit to Stock copies of policies or certificates that confirm these insurance coverages.

No policy will permit cancellation without 15 days prior written notice of cancellation to Stock and the certificates of insurance shall reflect such notice obligation. Failure of Contractor to maintain complete insurance may be deemed a material breach allowing Stock to terminate this

Agreement, or to provide insurance at Contractor's sole expense, in neither case, however, shall Contractor's liability be lessened. In addition, Contractor shall not sublet or subcontract any part of this Agreement without previously obtaining similar insurance from its subcontractors and suppliers.

20. Immediately upon the performance of any part of the Work, as between Contractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Contractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Contractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Contractor is not in breach of this Agreement, and provided that Contractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Contractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Pricing Addendum within twenty (20) days following Stock's receipt of a request for payment from Contractor. Contractor hereby agrees that if Contractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Contractor and Contractor shall have no claim thereto.
21. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
22. Contractor shall pay all taxes required by law in connection with the Work under this Agreement or any Work Notification Form, including sales, use and similar taxes. CONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF CONTRACTOR.
23. Should Stock notify Contractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Contractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If contractor refuses to perform any corrective work, Contractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Contractor hereunder. Contractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
24. CONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
 - (a) Contractor's Work is defective and not remedied as provided herein; or
 - (b) Contractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Contractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Contractor is responsible; or
 - (e) Contractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Contractor, and Contractor has not posted a discharge bond within this twenty four (24) hour period; or;
 - (f) Contractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Contractor Agreement with Stock; or
 - (g) Stock is fined by any governmental agency on account of or arising out of Contractor's (or Contractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
 - (h) Contractor becomes insolvent or any petition for bankruptcy is filed with respect to Contractor; or

(i) Contractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;

(j) Contractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

IF CONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH CONTRACTOR OR OTHER CONTRACTOR BASE AGREEMENT BETWEEN CONTRACTOR AND STOCK AND DISMISS CONTRACTOR FROM THE JOB SITE BY PROVIDING CONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY CONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY CONTRACTOR, PERFORM CONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE CONTRACTOR'S BREACH AT CONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM CONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO CONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO CONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM CONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE CONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD CONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM CONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. This Agreement may also be terminated and Contractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Contractor with written notice of such termination, and such termination shall be effective as of the time and date stated in such written notice. In the event of termination of the Agreement pursuant to this section without cause, Stock shall pay Contractor within fifteen (15) days after the effective date of such termination, all sums due and owing Contractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Contractor acknowledges and agrees that if Contractor is terminated pursuant to this section with cause, Contractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Contractor's sole remedy and in no event shall Contractor have any claim for consequential damages.
26. This Agreement, together with the Contract Documents, constitutes the entire agreement between Contractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Contractor's warranties under any prior or contemporaneous Contractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Contractor and Stock. The relationship of Contractor is that of an independent contractor.
27. Contractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.
28. All notices required to be given to Stock or Contractor shall be sent to the address shown on the front of this Agreement or to such other address as the parties may provide in writing.
29. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of

this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.

30. **ARBITRATION.** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Contractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Contractor, Contractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Contractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Contractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

Stock Construction, LLC, a Florida limited
liability company

By: _____

Print Name: _____

Its: _____

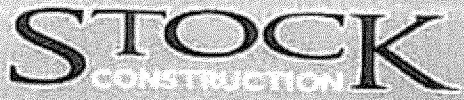
CONTRACTOR:

By: _____

Print Name: _____

Its: _____

COMPOSITE EXHIBIT 9



2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: J & D Heating and Air-Conditioning, Inc.
OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OF OWNERS: Jim or Diane Parker
SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
BUSINESS ADDRESS: 5631 Halifax Avenue
Fort Myers Fla. 33912
PHONE 239-415-4271 FAX 239-415-4276 EMAIL _____

THIS AGREEMENT ("Agreement") made and entered into this 31 day of JANUARY, 20 11, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and _____ ("Subcontractor").

- I. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY**: The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: HVAC

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance or any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.



10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and/or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto. Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
- (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

(e)injuries of/to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
(f)defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
(g)breach of this Agreement; and/or
(h)acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a)A maximum of \$5,000,000.00; or
- (b)the amount of this Agreement sum; or
- (c)the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. **SUBCONTRACTOR WARRANTIES:** Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligation herein. **SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY**

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. COMPLETION: Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. WAIVER: TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. TAXES/CHARGES: Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal; Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. DEFECTIVE WORK: Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. BREACH: SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
- (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (Or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. REMEDIES: IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

- 25. TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: 

Print Name: Bob Trug

Title: President

SUBCONTRACTOR:

J & D Heating AC Inc
(Subcontractor Entity Name)

By: 

Print Name: Jim Parker

Title: President

3/26/09



2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: J & D HEATING AND AIR CONDITIONING, INC.
OWNERSHIP: CORPORATION PARTNERSHIP PROPRIETORSHIP LIMITED LIABILITY COMPANY
NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OF OWNERS: JAMES F. AND DIANE PARKER
SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
BUSINESS ADDRESS: 5631 HALIFAX AVENUE
FORT MYERS, FL 33910
PHONE 239-415-4271 FAX 239-415-4276 EMAIL jfparker@janddac.com

THIS AGREEMENT ("Agreement") made and entered into this 24 day of MARCH, 2009, by and between Stock Construction, LLC, a Florida limited liability company ("Stock") and J & D HEATING AND AIR CONDITIONING, INC., a FLORIDA CORPORATION ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Contract Documents" shall mean this Agreement, together with any Work Notification Forms, Pricing Addendums, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (b) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Pricing Addendum" shall have the meaning specified in Paragraph 4.
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (h) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor.
 - (i) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or material men for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and material men does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or material men. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.
3. The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: H V A C

Cost Code No: _____

4. Attached hereto as a part of this Agreement, Subcontractor has submitted a signed and dated Pricing Addendum, receipt of which is acknowledged thereon by Stock, which specific Pricing Addendum is incorporated herein by reference. This Pricing Addendum may be modified by Subcontractor only by a subsequent written and dated amendment to the Pricing Addendum, as approved by and receipt of

which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Pricing Addendum shall be attached hereto and incorporated herein by reference. The Pricing Addendum in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

5. In conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.
6. Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

7. Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall be responsible for the receipt, delivery, unloading, storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work. Subcontractor shall supervise and direct all Work to the best of its ability and give it the attention necessary for such proper supervision and direction.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy. Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Pricing Addendums include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the project been conducted in a reasonable manner.

8. Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, then Subcontractor falls behind in furnishing the necessary labor and/ or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.
9. Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance



for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

10. Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor agrees not to employ for work on the project any person unfit or without sufficient skill to perform the job for which Subcontractor was retained. Subcontractor agrees that Company will not provide any training for the Subcontractor or its employees, agents, or subcontractors.
11. Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Company is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.
12. Subcontractor agrees to comply with the Safety & Health Standards attached hereto and incorporated herein by reference and the requirements of the Occupational Safety and Health Act of 1970, as amended, and all other applicable federal, state and local health, safety, environmental and hazardous work laws, including without limitation, the prompt submission of material safety data sheets when required, and Subcontractor hereby releases Stock of and from any and all liability of whatsoever nature because of any injury or injuries to Subcontractor, its employees, agents or subcontractors or any employees or agents of such subcontractors, or any other people doing work under an oral or written order or contract with Subcontractor.
13. Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, agents and subcontractors and any and all employees and agents of Subcontractor's subcontractors, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
14. To the fullest extent permitted by law, Subcontractor shall indemnify and hold harmless Stock (including its affiliates, parent and subsidiaries) and all of their officers, members, partners, directors, agents and employees (collectively the "Indemnified Parties") of, from and against any and all claims, liabilities, damages, costs and expenses, including, without limitation, contractual liabilities, damages, losses and expenses, including but not limited to, attorney's fees at trial and on appeal, arising out of, resulting from or related to the performance of the Work, or the performance of any construction or services required by the Contract Documents or performed by any subcontractors, laborers, materialman or agents, or the construction site, or the project, provided that any such claim, liability, damage loss or expense (1) is attributable to bodily injury, personal injury, sickness, disease or death, or to violations or alleged violations of the Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, or to violations or alleged violations of similar state laws and regulations, or to injury to or destruction of tangible property including the loss of use resulting therefrom, or to any defective work of Subcontractor, or to any breach by Subcontractor of this Agreement, and (2) caused in whole or in part by any act, failure to act, or omission of Subcontractor, any subcontractor of Subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder and regardless of whether or not it is caused in part by the negligence of a party indemnified hereunder, provided however, such party indemnified shall not be indemnified for the sole negligence or willful misconduct of such indemnified party. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under this Paragraph shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefit acts. In addition, in no event shall Subcontractor's obligations hereunder be limited to the extent of any insurance available to or provided by Subcontractor. At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreement, a sum of money which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph. Notwithstanding the foregoing, the indemnification obligations described herein shall be limited to a maximum of \$5,000,000.00, or the amount of the contract sum, whichever is greater. The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and, specifically to comply with Florida Statutes, Section 725.06 and is to be interpreted in such a way as to be fully enforceable.
15. Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good

quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. CONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY CONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. CONTRACTOR AGREES TO MAKE, AT CONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF CONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FOURTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 15 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

16. Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
17. Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
18. Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Pricing Addendum, payment schedule and/or time for performance.
19. Subcontractor shall procure and maintain insurance in form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. Stock shall be named as an additional insured, loss payee and/or certificate holder on each of the policies as outlined on Exhibit "A". Prior to commencing any work under this Agreement, Subcontractor shall submit to Stock copies of policies or certificates that confirm insurance coverage. No policy will permit cancellation without 15 days prior written notice of cancellation to Stock and the certificates of insurance shall reflect such notice obligation. Failure of Subcontractor to maintain complete insurance may be deemed a material breach allowing Stock to terminate this Agreement, or to provide insurance at Subcontractor's sole expense. In neither case, however, shall Subcontractor's liability be lessened. Subcontractor acknowledges they shall not subcontract any part of this Agreement without supplying Stock proof that all sub agents insurance coverage complies with Exhibit A of this contract.
20. Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Pricing Addendum within twenty (20) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or

any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.

21. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
22. Subcontractor shall pay all taxes required by law in connection with the Work under this Agreement or any Work Notification Form, including sales, use and similar taxes. CONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF CONTRACTOR.
23. Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
24. CONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
 - (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or
 - (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or
 - (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
 - (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
 - (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
 - (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
 - (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.
25. IF CONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:
 - (A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH CONTRACTOR OR OTHER CONTRACTOR BASE AGREEMENT BETWEEN CONTRACTOR

AND STOCK AND DISMISS CONTRACTOR FROM THE JOB SITE BY PROVIDING CONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY CONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY CONTRACTOR, PERFORM CONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE CONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM CONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO CONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO CONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM CONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

26. This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with written notice of such termination, and such termination shall be effective as of the time and date stated in such written notice. In the event of termination of the Agreement pursuant to this section without cause, Stock shall pay Subcontractor within fifteen (15) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this section with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages.
27. This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
28. Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.
29. All notices required to be given to Stock or Subcontractor shall be sent to the address shown on the front of this Agreement or to such other address as the parties may provide in writing.
30. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration

Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.

31. This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: 

Print Name: B.B. [unclear]

Title: PRESIDENT

SUBCONTRACTOR:

J.A.D. HEATING AND AIR CONDITIONING
(Subcontractor Entity Name) INC.

By: 

Print Name: JAMES F. PARKER

Title: PRESIDENT

EXHIBIT 10



2547 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: GFA International, Inc.
 OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS: FRAK FRONE, Fred Koub, Tom Oriney, Bill Danforth
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
 BUSINESS ADDRESS: 5851 COUNTY LAKES DR., FT. MYERS, FL 33905
 PHONE: 239 489 2443 FAX: 239 489 3438 EMAIL: Schedule.FM@TromGFA.com

THIS AGREEMENT ("Agreement") made and entered into this 5 day of August, 2011, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and GFA International, Inc. ("Subcontractor").

1. As used herein the following terms shall have the meaning specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors, laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: Quality Control Testing,
inspections, and/or engineering services.

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Stock will give subcontractor

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting, storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors. It being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and/or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the Job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
 - (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or other services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

- (e) injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
- (f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
- (g) breach of this Agreement; and/or
- (h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

~~Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.~~

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. **SUBCONTRACTOR WARRANTIES:** Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. **SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY**

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warrant the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products-completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work;
- (d) Limitations or Exclusions for Multi-Unit Dwellings;
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificate of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. COMPLETION: Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.

- ~~20. WAIVER: TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK, AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.~~

21. TAXES/CHARGES: Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**

22. DEFECTIVE WORK: Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.

23. BREACH: SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:

- (a) Subcontractor's Work is defective and not remedied as provided herein; or
- (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
- (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
- (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. REMEDIES: IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

- 25. TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitation, any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.



26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer; (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: 

Print Name: Bob Smith

Title: President

SUBCONTRACTOR:

GFA International, Inc.

(Subcontractor Entity Name)

By: 

Print Name: Christopher J. Pacitto

Title: Branch Manager